

**FEBRUARY 28, 2006**

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FLOOR DEBATE

February 28, 2006 LB 14, 231, 543, 663, 806, 809, 810, 912  
945, 960, 1019, 1027, 1051, 1064, 1073, 1130  
1165, 1166, 1171, 1255

SENATOR CUDABACK PRESIDING

SENATOR CUDABACK: Good morning. Welcome to the George W. Norris Legislative Chambers. Our chaplain of the day is Pastor Doyle Karst, St. John Lutheran Church, Sterling, Nebraska; Senator Heidemann's district. Pastor, please.

PASTOR KARST: (Prayer offered.)

SENATOR CUDABACK: Thank you, Pastor Karst, for being with us this morning. Appreciate it. Pastor Karst is from District 1. Call the thirty-fifth day of the Ninety-Ninth Legislature, Second Session, to order. Senators, please record your presence. Record please, Mr. Clerk.

CLERK: I have a quorum present, Mr. President.

SENATOR CUDABACK: Any corrections for the Journal?

CLERK: I have no corrections, Mr. President.

SENATOR CUDABACK: Messages, reports, or announcements?

CLERK: Mr. President, your Committee on Enrollment and Review reports LB 1019 as correctly engrossed. Enrollment and Review also reports LB 663 to Select File with Enrollment and Review amendments attached. And your Committee on Revenue, chaired by Senator Landis, reports LB 231, LB 543, LB 806, LB 809, LB 810, LB 912, LB 945, LB 960, LB 1027, LB 1051, LB 1064, LB 1073, LB 1130, LB 1165, LB 1166, LB 1171, and LB 1255, all as reported indefinitely postponed; those signed by Senator Landis. That's all that I had, Mr. President. (Legislative Journal pages 799-800.)

SENATOR CUDABACK: Thank you, Mr. Clerk. The next agenda item, Final Reading. Members, as the rules state, please take your seats as we go to Final Reading. All unauthorized personnel please leave the floor. Members, please return to your seats. We're now on Final Reading. Mr. Clerk, LB 14E.

CLERK: Mr. President, Senator Chambers would move to return the

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bill for specific amendment; specifically, strike the enacting clause.

SENATOR CUDABACK: Senator Chambers, to open on your amendment.

SENATOR CHAMBERS: Mr. President, members of the Legislature, I withdraw that motion and all similar motions to strike the enacting clause on any other bills where I have them pending. Thank you.

SENATOR CUDABACK: Senator Chambers, it is withdrawn.

CLERK: (Read LB 14 on Final Reading.)

SENATOR CUDABACK: All provisions of law relative to procedure having been complied with, the question is, shall LB 14E pass with the emergency clause attached? All in favor vote aye; opposed vote nay. Have you all voted who wish to? Please record, Mr. Clerk.

CLERK: (Record vote read, Legislative Journal pages 800-801.) 43 ayes, 0 nays, 2 present and not voting, 4 excused and not voting, Mr. President.

SENATOR CUDABACK: LB 14E passes with the emergency clause attached. (Doctor of the day introduced.) Mr. Clerk, LB 173.

CLERK: (Read LB 173 on Final Reading.)

SENATOR CUDABACK: All provisions of law relative to procedure having been complied with, the question is, shall LB 173 pass? All in favor vote aye; opposed to the question vote nay. Have you all voted on the question who wish to? Please record, Mr. Clerk.

CLERK: (Record vote read, Legislative Journal pages 801-802.) 42 ayes, 0 nays, 3 present and not voting, 4 excused and not voting, Mr. President.

SENATOR CUDABACK: LB 173 passes. Mr. Clerk, LB 776E.

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February 28, 2006 LB 776, 778, 818

CLERK: (Read LB 776 on Final Reading.)

SENATOR CUDABACK: All provisions of law relative to procedure having been complied with, the question is, shall LB 776E pass with the emergency clause attached? All in favor vote aye; opposed, nay. Have you all voted on the question who care to? Please record, Mr. Clerk.

CLERK: (Record vote read, Legislative Journal page 802.) 44 ayes, 0 nays, 1 present and not voting, 4 excused and not voting, Mr. President.

SENATOR CUDABACK: LB 776E passes with the emergency clause attached. We now go to LB 778. The first vote will be to suspend the at-large reading, according to our rules. All in favor vote aye; opposed, nay. Please record, Mr. Clerk.

CLERK: 39 ayes, 3 nays, Mr. President, to dispense with the at-large reading.

SENATOR CUDABACK: The at-large reading is dispensed with. Mr. Clerk, please read the title to LB 778.

CLERK: (Read title of LB 778.)

SENATOR CUDABACK: All provisions of law relative to procedure having been complied with, the question is, shall LB 778 pass? All in favor of the motion vote aye; all those opposed to the motion vote nay. Please record, Mr. Clerk.

CLERK: (Record vote read, Legislative Journal pages 803-804.) 45 ayes, 0 nays, 2 present and not voting, 2 excused and not voting, Mr. President.

SENATOR CUDABACK: LB 778 passes. We now go to LB 818E, Mr. Clerk, please.

CLERK: (Read LB 818 on Final Reading.)

SENATOR CUDABACK: All provisions of law relative to procedure having been complied with, the question is, shall LB 818E pass

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with the emergency clause attached? All in favor of the motion vote aye; all those opposed to the motion vote nay. Have you all voted on the motion who care to? Please record, Mr. Clerk.

CLERK: (Record vote read, Legislative Journal page 804.) 45 ayes, 0 nays, 1 present and not voting, 3 excused and not voting, Mr. President.

SENATOR CUDABACK: LB 818E passes with the emergency clause attached. We now go to LB 887. The first vote will be to suspend the at-large ruling, according to our rules. All in favor vote aye; opposed, nay. Please record, Mr. Clerk.

ASSISTANT CLERK: 36 ayes, 3 nays to dispense with the at-large reading, Mr. President.

SENATOR CUDABACK: The at-large reading is dispensed with. Mr. Clerk, please read the title to LB 887.

ASSISTANT CLERK: (Read title of LB 887.)

SENATOR CUDABACK: All provisions of law relative to procedure having been complied with, the question is, shall LB 887 pass? All in favor vote aye; opposed vote nay. Please record, Mr. Clerk.

ASSISTANT CLERK: (Record vote read, Legislative Journal page 805.) Vote is 46 ayes, 0 nays, 3 excused and not voting, Mr. President.

SENATOR CUDABACK: Motion was successful. LB 887 passes. We now go to LB 1003E. The first vote will be, according to the rules, suspend the at-large reading. All in favor vote aye; opposed vote nay. Please record, Mr. Clerk.

ASSISTANT CLERK: 36 ayes, 3 nays to dispense with the at-large reading, Mr. President.

SENATOR CUDABACK: The motion was successful. The at-large reading is dispensed with. Mr. Clerk, please read the title of LB 1003E.

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February 28, 2006 LB 1003, 1007, 1111

ASSISTANT CLERK: (Read title of LB 1003.)

SENATOR CUDABACK: All provisions of law relative to procedure having been complied with, the question is, shall LB 1003E pass with the emergency clause attached? All in favor of the motion vote aye; all those opposed to the motion vote nay. Please record, Mr. Clerk.

ASSISTANT CLERK: (Record vote read, Legislative Journal page 806.) Vote is 46 ayes, 0 nays, 3 excused and not voting.

SENATOR CUDABACK: LB 1003E passes with the emergency clause attached. We now go to LB 1007E. The first vote will be to suspend the at-large reading, according to rules. All in favor vote aye; opposed, nay. Please record, Mr. Clerk.

ASSISTANT CLERK: 39 ayes, 3 nays to dispense with the at-large reading.

SENATOR CUDABACK: The motion was successful. The at-large reading is dispensed with. Mr. Clerk, please read the title to LB 1007E.

ASSISTANT CLERK: (Read title of LB 1007.)

SENATOR CUDABACK: All provisions of law relative to procedure having been complied with, the question is, shall LB 1007E pass with the emergency clause attached? All in favor vote aye; opposed, nay. Please record, Mr. Clerk.

ASSISTANT CLERK: (Record vote read, Legislative Journal page 807.) Vote is 46 ayes, 0 nays, 3 excused and not voting, Mr. President.

SENATOR CUDABACK: LB 1007E passes with the emergency clause attached. Next legislative bill is LB 1111. Mr. Clerk, please.

ASSISTANT CLERK: (Read LB 1111 on Final Reading.)

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February 28, 2006 LB 875, 1111  
LR 2

SENATOR CUDABACK: All provisions of law relative to procedure having been complied with, the question is, shall LB 1111 pass? All in favor of the motion vote aye; all those opposed, nay. Have you all voted who care to? Please record, Mr. Clerk.

ASSISTANT CLERK: (Record vote read, Legislative Journal page 808.) Vote is 45 ayes, 0 nays, 1 present and not voting, 3 excused and not voting, Mr. President.

SENATOR CUDABACK: LB 1111 passes. We now go to LR 2CA. Mr. Clerk, please.

ASSISTANT CLERK: (Read LR 2CA on Final Reading.)

SENATOR CUDABACK: All provisions of law relative to procedure having been complied with, the question is, shall LR 2CA pass? All in favor vote aye; opposed vote nay. Have you all voted on the motion who care to? Have you all voted who care to? Please record, Mr. Clerk.

ASSISTANT CLERK: (Record vote read, Legislative Journal page 810.) Vote is 40 ayes, 0 nays, 6 present and not voting, 3 excused and not voting, Mr. President.

SENATOR CUDABACK: LR 2CA passes. We now go to LB 875E. First vote will be to suspend the at-large reading. I'm sorry, getting ahead of myself here. There are some motions to it. Mr. Clerk, please.

CLERK: Mr. President, LB 875 on Final Reading. Senator Mines would move to return the bill for specific amendment, AM2446. (Legislative Journal page 783.)

SENATOR CUDABACK: Senator Mines, to open.

SENATOR MINES: Thank you, Mr. President, colleagues. And you thought we were moving along at rapid speed. This is not a complicated amendment to understand. I ask that LB 875 be returned to Select File so that we could adopt AM2446. It's a cleanup item recommended to us by the Department of Insurance. The bill was originally introduced by the Banking, Commerce and

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Insurance Committee at the request of the Insurance Department. All of the strike and insert amendments would tweak the section which proposes amendments to the Title Insurers Act. This part of the bill would facilitate the process of a foreign title insurer to transfer its domicile to Nebraska. Remember when we talk about foreign companies or foreign title insurers, these are insurers that are in other states, not in other countries. Currently, we do not have a Nebraska domestic title insurer. The amendment makes four changes. First, on line 2 of the...the amendment would add a date so that the surrounding provisions would read consistently with their lead-in provisions that start at the bottom of the previous page. This change was suggested by our committee legal counsel. Number two, on line 19, the amendments would supply an omitted internal reference to the bill's proposed new subdivision (3)(b)(v) of Section 44-1988. It appears on lines 10 to 15. This was something caught by the legal committee counsel again, Bill Marienau. Number three, on lines 24 and 25, the amendments would adjust the formula which provides for release of earned premiums from reserves over a 25-year period, as that formula would relate to title insurers that would transfer their domicile to Nebraska. Currently, the bill would provide that for a title insurer that transfers its domicile to this state, 30 percent of its reserves may be released from the reserve and restored to net profits on July 1 following the date of transfer of its domicile, if the release were not...would not result in the aggregate reserve falling below the title insurer's required actuarial level. Therefore...or thereafter, the existing formula would be used. The question we have is about the date and what would happen if the date of transfer were to occur before July 1? Would it give the department enough time to...for a proper review of the matter? Maybe not, so here's the fix. The release would happen not on July 1 but rather 45...on the 45th day following the last calendar quarter in which the title insurer transfers its domicile. Again, this change was suggested by the Department of Insurance. And finally, agenda Item 4 of the changes, the amendment also adds the severability clause out of an abundance of caution. The bill has a variety of parts within the subject of the insurance and, admittedly, some groups still are uncomfortable that the amendments regarding motor vehicle service contracts would...added by the bill on Select File and

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there seeks some severability. There have been some mutterings about litigation over the notice requirements, and in light of the fact that the amendment came along a little late in the life of the bill, it's unnecessary to the existence of the rest of the bill. And if those provisions were struck down, the rest of the bill would live on, if approved. So, Mr. President, I would ask adoption of AM2446. Thank you.

SENATOR CUDABACK: You've heard the opening on the motion to return LB 875E for Select amendment...Select File for specific amendment. Open for discussion. Senator Mines, your light was on. Did you mean for that to be on? He does not mean for it. Further discussion, motion to return to Select File? Seeing none, Senator Mines, did you wish to close? He does not wish to close. The question before the body is, shall LB 875E be returned to Select File for a specific amendment? All in favor vote aye; opposed, nay. Motion before the body is to return, Select File. Please record, Mr. Clerk.

CLERK: 42 ayes, 0 nays, Mr. President, on the motion to return the bill.

SENATOR CUDABACK: The motion was successful. The bill is returned. Mr. Clerk, please.

CLERK: Mr. President, Senator Mines, AM2446.

SENATOR CUDABACK: Senator Mines, to open on AM2446.

SENATOR MINES: Thank you, Mr. President, colleagues. Again, this merely adds four changes to the already approved bill and I would ask the advancement of the amendment. Thank you.

SENATOR CUDABACK: You've heard the opening on AM2446. Open for discussion. Senator Mines, there are no lights on. Senator Mines waives closing. The question before the body is, shall AM2446 be adopted to LB 875E? All in favor vote aye; opposed, nay. Have you all voted on the amendment who care to? Please record, Mr. Clerk.

CLERK: 42 ayes, 0 nays, Mr. President, on the adoption of the

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Select File amendment.

SENATOR CUDABACK: The motion was successful. The amendment has been adopted. Senator Mines, would you like to make a motion, please?

SENATOR MINES: I move the advancement of LB 875 to E & R for engrossing.

SENATOR CUDABACK: Heard the motion to advance LB 875 to E & R for engrossing. All in favor say aye. Opposed, nay. It is advanced.

CLERK: Mr. President, Senator Beutler would move to return for AM2291. (Legislative Journal page 796.)

SENATOR CUDABACK: Senator Beutler, to open on your motion to return.

SENATOR BEUTLER: Senator Cudaback, colleagues, you may recall that there was a portion of this bill that had to do with National Warranty and the whole episode with respect to automobile repair contracts and how they were treated in the law. As a result of that debacle, you'll recall that the Banking Committee and others who were interested looked at the whole situation and it came down to the fact that we either had to hurt our local automobile dealers significantly to change things here or we had to get national cooperation and a national consensus on how these matters were to be treated. So we overall were unable to solve the problem at the local level, and I think that's an honest answer to the questions that are posed. But we were able to do one significant thing. You may recall, we put into the bill a notice of risk so that consumers, at least, would know in certain situations that they are entering into an agreement without some of the characteristic protections that are afforded by, for example, our Department of Insurance. At the time that we did that, that notice of risk was required to be a separate document from the main contract, and that was amended so that it was not a separate document but was part of the main contract, at the request of the lobby. Now the lobby would like to have the option. They would like to have that

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notice as either part of the main contract or as a separate page, and this facilitates the methodologies of various companies, not all of whom do these things the same way, apparently. So all this amendment does is afford the industry an additional option with regard to the mechanism by which they give the notice of risk, and I would ask your approval of sending this back, please.

SENATOR CUDABACK: You've heard the opening on the motion to return. Open for discussion. There are no lights on, Senator Beutler. Senator Beutler waives closing. Question before the body is, shall LB 875E return to Select File for specific amendment? All in favor vote aye; opposed, nay. We're voting on the motion to return LB 875E to Select File for a specific amendment. Please record, Mr. Clerk.

CLERK: 41 ayes, 0 nays, Mr. President, on the motion to return the bill.

SENATOR CUDABACK: The motion was successful. LB 875E is returned to Select File. Mr. Clerk, please.

CLERK: Senator Beutler offers AM2291.

SENATOR CUDABACK: Senator Beutler, to open on AM2291.

SENATOR BEUTLER: I would ask for the adoption of the amendment and be glad to answer any questions if anybody has questions.

SENATOR CUDABACK: Thank you, Senator Beutler. You've heard the opening on AM2291. Open for discussion. Senator Beutler, there are no lights on. Senator Beutler waives closing. Question before the body is adoption of AM2291 to LB 875E. All in favor of the motion vote aye; all those opposed, nay. The question before the body is the Beutler amendment, AM2291, to LB 875E. Have you all voted on the Beutler amendment who care to? Please record, Mr. Clerk.

CLERK: 43 ayes, 0 nays, Mr. President, on the adoption of the Select File amendment.

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1007, 1111, 1115  
LR 2, 291

SENATOR CUDABACK: Motion was successful. The Beutler amendment has been adopted. Senator Beutler, would you like to make a motion to readvance?

SENATOR BEUTLER: I would move that LB 875 be readvanced to E & R for engrossing.

SENATOR CUDABACK: Heard the motion, advance LB 875E to E & R for engrossing. All in favor say aye. Opposed, nay. It is readvanced. As you know, we pass over LB 875E.

SPEAKER BRASHEAR PRESIDING

SPEAKER BRASHEAR: Members, while the Legislature is in session and capable of transacting business, I propose to sign and do now sign LR 291 and the following legislative bills: LB 14, LB 776, LB 778, LB 818, LB 887, LB 1003, LB 1007, LR 2CA. Thank you. Members, in addition, while the Legislature is in business...in session and capable of transacting business, I propose to sign and do now sign also LB 1111 and LB 173. Thank you.

SENATOR CUDABACK PRESIDING

SENATOR CUDABACK: Mr. Clerk, do you have any items for the record, or messages?

CLERK: Not at this time, Mr. President.

SENATOR CUDABACK: Thank you. We now move on to General File, 2006 committee first priority bill. Mr. Clerk, LB 1115.

CLERK: Mr. President, LB 1115, offered by Senator Bourne, relates to civil procedure. (Read title.) Bill was introduced on January 17 of this year, at that time referred to the Judiciary Committee. Bill was advanced to General File. The committee amendments were presented, Mr. President, on February 24. At that time, Senator Cunningham moved to amend the committee amendments with AM2405. (AM2038, Legislative Journal page 718.)

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SENATOR CUDABACK: Thank you, Mr. Clerk. Senator Bourne, we are on General File. Would you like to give us a brief summary of the bill?

SENATOR BOURNE: Thank you, Mr. President, members. Briefly, I did open on this on, I believe it was, last Thursday or Friday and it is, as in the tradition of the Judiciary Committee, several bills that we put together into the package: LB 770 relates to the rights of foster parents; Senator Cunningham's bill allowing for abstracts of marriage to be used in place of a certified copy of the marriage license; other various court cleanup bills and measures such as that. I'd be happy to answer any specific questions that any of the members might have. Thank you.

SENATOR CUDABACK: Thank you, Senator Bourne. Mr. Clerk, please.

CLERK: Mr. President, committee amendments offered, as explained by Senator Bourne. Senator Cunningham, you had pending, Senator, AM2405. I had a note that you wanted to withdraw at this time.

SENATOR CUNNINGHAM: And file on Select.

CLERK: Yes, sir.

SENATOR CUDABACK: It is withdrawn.

CLERK: Mr. President, I now have an amendment to the committee amendments by Senator Bourne, AM2400. (Legislative Journal page 782.)

SENATOR CUDABACK: Senator Bourne, you're recognized to open on AM2400.

SENATOR BOURNE: Thank you, Mr. President, members. This is a very simple amendment that adds an emergency clause to a portion of the bill, but probably more relevant is that it strikes from the committee package LB 757 which, as you can see a little further down on the agenda, is...has its own spot there on the

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consent calendar. So we're adding an emergency clause to the LB 826 portion of the committee bill and taking out LB 757 from the committee amendment. When the committee amendment came out, we as a committee collectively decided to include that in there, and then it became a consent calendar bill. There's no need to do it twice and so we're striking that. I ask for your adoption of AM2400. Thank you.

SENATOR CUDABACK: Thank you, Senator Friend (sic). Heard the opening on AM...Senator Bourne, rather. Senator Friend, your light is on. Did you wish to address the Bourne amendment?

SENATOR FRIEND: The committee amendment.

SENATOR CUDABACK: Thank you. Further discussion on the Bourne amendment? Senator Bourne, there are no lights on. Senator Bourne waives closing. The question before the body is adoption of AM2400 to the Judiciary Committee amendments. All in favor vote aye; opposed, nay. Issue before the body is the Bourne amendment, AM2400. Have you all voted on the motion who care to? Please record, Mr. Clerk.

CLERK: 33 ayes, 0 nays, Mr. President, on the adoption of Senator Bourne's amendment to the committee amendments.

SENATOR CUDABACK: The Bourne amendment has been adopted.

CLERK: Nothing further pending to the committee amendments, Mr. President.

SENATOR CUDABACK: Thank you, Mr. Clerk. We now go back to the committee amendments themselves, for discussion. Senator Friend.

SENATOR FRIEND: Thank you, Mr. President and members of the Legislature. I wanted to touch on something that I thought that I might not have another opportunity to touch on in regard to the committee amendments and what we did in Judiciary Committee. There are many occasions where you'll pile this type of stuff together and, unless you divide the question, unless you really sit down and investigate a little further than we normally do, I

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would say, at least I should speak for myself, a lot of times some of this stuff may slip by without a whole lot of, I guess, analysis. Well, this summer, during the interim, a lot of...a lot...we'll all get this, a lot of folks will say, what do you do during the interim; we know you're busy now; what's going on? Once a week, once a week...I can say to those people that ask that question, at least once a week I get a call from someone either complaining about Health and Human Services and the way they do their job, or the way our state in general deals with issues relating to that. They'll say, what are you going to do to reform the system? Well, first of all, I said, look, I'm not going to run into a phone booth, tear my clothes off and have a big S stamped on my chest. I can't save the system. We can't save the world. But I'll tell you this. It's problem identification. I've spoken about it before in the past--problem identification. What I was able to identify, at least in my view, was that we have a lot of foster caregivers out there, a lot of foster caregivers in general, a lot of them that do a really good job, some of them that don't, but here's what they all have in common. None of them have much of a voice. None of them have much of a voice either from the standpoint of our statutory authority and the way we hand that out to them, or just from a judge's understanding of what that particular judge can give to that particular foster caregiver. Now in its original form, there's a bill, LB 770. It's attached to this amendment right now. It's not in its original form and I guess, oddly enough, that's okay with me. What I was looking to do was to actually let judges understand, let judges know that they can go out in a courtroom, grab a foster caregiver who's had 20 months with a child sometimes, maybe 15 months, maybe 10 months, maybe 6 months, maybe 3 months, to ask them about that child; what's been going on in that child's life. Right now, there aren't a whole lot of judges that really even realize that they have that authority, I would venture to guess. I tried to not necessarily give foster care parents, foster caregivers standing, but what I tried to do is say, hey, you got a voice. And here's why. What purpose does a foster caregiver...what do...what's their purpose? What are they supposed to do when they're contracting for the state of Nebraska, for lack of a better term? The state hires them. They contract with us. We put our children, the ones that we're

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afraid of, the ones we created a task force to try to figure out how to save, we put those children in foster care. The little angels that we care about, we give them to those people.

SENATOR CUDABACK: One minute.

SENATOR FRIEND: Six, nine, like I mentioned fifteen, twenty-one months at a time they're with these people, but we don't want to hear what these people have to say about the kids? I don't get that. Guardian ad litem sees them once a year, maybe, if we're lucky. How often does HHS see them? I think there's other people out here that could speak to that. How often does the judge see the child? The state? A legislator? I don't see them. These people are changing the diapers, they're buying them food, they're taking them to Fun Plex, they're doing things and we're worried about conflict. The judge can affect whether there's conflict or not. The judge can drive whether he or she chooses whether there's going to be that conflict out there. We've got permissive language now...

SENATOR CUDABACK: Time, Senator.

SENATOR FRIEND: Thank you.

SENATOR CUDABACK: Thank you, Senator Friend. Further discussion? Senator Howard, followed by Senator Friend. Senator Howard.

SENATOR HOWARD: Thank you, Mr. Chairman and members of the body. Thank you, Senator Friend, for bringing up a very important issue, and in fact the foster parents do have a great responsibility. They are given a child to love, to care for, to meet their needs, basically, whatever those needs may be, and to work in partnership with the Department of Health and Human Services. And my question is now, and has been, why does the system not work? Why is there not a connection between the case managers and the foster parents, the foster parents and the Foster Care Review Board, the foster parents and the guardian ad litem, the foster parents and other providers such as teachers, medical providers? And the list goes on, and on, and on. I think what Senator Friend has brought up is really the

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tip of the iceberg here. He addressed that in his opening statement. Why does the system not work? Why are there continual calls? And I, too, receive these calls. I have tried to address this in a number of ways. We put out some legislation to hold the system more accountable, and the system is very, very resistant to that. I'm supportive of Senator Friend's work in addressing this issue and would be happy to work with him in the future. I encourage everyone to look at this and to ask the deep, deep question, why does the system not work in this state? Why do foster parents feel disenfranchised? Why do case managers feel overwhelmed? Why do foster children remain in the system for days, months, in many cases years? With that, I return the balance of my time to the Chair. Thank you.

SENATOR CUDABACK: Thank you, Senator Howard. Senator Friend.

SENATOR FRIEND: Thank you, Mr. President and members of the Legislature. Senator Howard, thank you, first of all because, I've said this before, you've been there. You've worked on this for a long time. And I appreciate those comments, and what you said was poignant and it's true. This is the tip of the iceberg, and that's what I was going to finish up on. We have permissive language here, excuse me, and which will be adopted into LB 1115. It is permissive language now. When I first spoke, I tend to get...sometimes I get frustrated and sometimes it builds up, and builds up, and builds up, and then, boom, I'm on the mike and I try to blow a hole through the brick. I apologize for that, I sincerely do, and I don't mean it to come out in that fashion. But I am frustrated. I am frustrated because I can't tell a foster caregiver, a good one...let's take a good one, let's say there's 70 percent of them out there are really doing a good job...I'm frustrated because I can't tell them why they can't go into a courtroom and speak or have the judge at least acknowledge it about the welfare of a child who's been with them for 15 months. That frustrates me. I say...I stare into the...I stare into the receiver of the phone or I stare into their face and say, I don't know what to tell you. We all know how frustrating that is. How many...I don't like to give that as an answer--I don't know and I can't help you. Well, maybe, from the tip of the iceberg standpoint, what we've

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done here with LB 1115, in its final form, hopefully, is taken permissive language and identified to judges who sometimes may not be privy to this certain type of information that they do know that there's a foster...that they do know that they have a foster caregiver in the back of the room that they can acknowledge in the back of that courtroom. We're going to identify that. We're going to try to identify whether something like this is successful. And then I would say we'll go into that interim, the one interim that everybody keeps asking us about--what did you do during that interim--and we're going to figure out if this stuff works. Because if it doesn't, we can do a lot of different things. State of Alaska, they're creating framework to do a heck of a lot more than we're doing. Hawaii, Illinois, Minnesota, New Mexico, New York, North Carolina, Wisconsin, they're all giving foster caregivers standing. I'm not proposing that. Some states have authorized, and I'm not proposing this, some states have authorized that foster caregivers can initiate termination of parental rights actions--Michigan, New Hampshire, and New Mexico. That's hard core. That's about as hard core as it gets. That's giving a foster caregiver the type of power that a birth parent has. Well, let me tell you, we all...most of us out here know this. I've got four children. My wife is not a mother because she gave birth to those four children. I'm not a father...that's what's frustrating. I'm not a father, a good one or a mediocre one or whatever, for that particular reason. And there's a lot of foster caregivers out there that understand that,...

SENATOR CUDABACK: One minute.

SENATOR FRIEND: ...good ones that understand that, and what they'd like to have and what we may be encroaching on here is the ability to sit in the back of the room and then suddenly have the judge say, hey, look, come on up here, we want to hear about the last 15 months of this child's life. That's all we're asking for. I know it was probably going to fly through anyway, but maybe it's my chance to pour out some of this frustration and leave it here for awhile. Then we can go into the interim, find out if something like this does melt that tip of the iceberg that Senator Howard talked about. If it doesn't, we can come back and we can take a bigger bite of the apple. Thank

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you, Mr. President.

SENATOR CUDABACK: Thank you, Senator. Senator Foley, your light is next, followed by Senator Howard.

SENATOR FOLEY: Thank you, Mr. President, members. The six years that I've been in the Legislature, there's no question in my mind as to what was the most difficult issue that I had to address, and it was a couple of cases actually, and they both involve foster children, children within the foster care system, and it was just enormously frustrating, as I got into the details of some of these cases and visited with the foster parents and learned a great deal about what they knew of these children and how the children were being treated when they were outside of the foster care system, when they're turned back to the biological parents. And there were many, many cases that I learned about as I researched all this where the foster parents did, indeed, have enormous knowledge, very intimate knowledge, of what was happening to those children when they weren't under the care of the foster parents, and it was a source of great frustration to those foster parents that they could not go into court and have standing. And that's what the original text of LB 770 was all about. LB 770, in its original form, green copy form, provided the foster parents to have standing in court; to stand before the judge and tell the judge what was really happening in the life of that child. But that's been substantially diluted now. If you look at the committee amendment, at the bottom of page 18 and top of page 19, this concept of giving standing to foster parents has now been diluted down into something along the lines of the court may inquire of the foster parents, the court may inquire. That's all we're getting? That's not enough. That's not nearly enough. And I hope that between now and Select File we can give this matter a lot more thought and strengthen that provision. We need something a lot more than "the court may inquire." Those foster parents need to either have standing or have some mechanism for bringing the knowledge of...the facts of that case forward for the judge. And if the judge wants to dismiss it, at least let these foster parents have that day in court so they can bring that information forward to the judge and let him evaluate whether or not he thinks it's truthful and valid and

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relevant to the case that he's adjudicating. Thank you, Mr. President.

SENATOR CUDABACK: Thank you, Senator Foley. Senator Howard, on AM2038.

SENATOR HOWARD: Thank you, Mr. Chairman and members of the body. I had no idea this topic would be presented today in its...as a dialogue, but I'm very glad it's come up. The core problem is really not whether foster parents have standing in court, or whether they have a voice, or whether they're able to speak in court. In my experience, they are able to attend hearings, and if the judge should choose to ask questions of them, they are free to provide information. I don't think that's the core problem here that we're dealing with. This is much, much deeper, and I challenge Senator Foley and I challenge Senator Friend and I challenge this body to look at where the problem lies. I think many of us have had experiences in dealing with Health and Human Services, and have we come away feeling that our inquiries were answered or that Health and Human Services was really interested in addressing the issues that we brought to them? And I can tell you, as someone that's worked for them, the attitude is case managers are paid, they're paid to do a job. They're not considered to be professionals. They're not considered to be team members. They're considered to be people that get a salary and that's the extent of it. This causes frustration with the foster parents, with the care...foster care review system, with the courts, guardian ad litem. The list goes on, and on, and on. We need to be willing to look at what is happening with Health and Human Services. I have brought in a number of bills. Health and Human Services, on a consistent basis, comes in and speaks in opposition to the bills, one being full disclosure adoption. When you are at the point where you will be adopting a child from Health and Human Services, you signed an adoption agreement, you've had that child in your home for a minimum of six months, you should be able to read the case file. You should be able to know that child's history. And if that child is exhibiting difficulties that you're concerned about, you should be able to request an evaluation so that it's documented, documented. Second issue that I brought in recently was

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licensing of child protective service workers. Department came in, in opposition to that. All these pieces go into the problem, and these are very, very significant. I thank Senator Friend for looking at this issue. I caution you about treading lightly on the area of foster parent standing. It's very involved. I would be happy to work with you on that. And I appreciate Senator Foley's concern, passion on this issue as well. And with that, I'll return the remainder of my time. Thank you, sir.

SENATOR CUDABACK: Thank you, Senator Howard. Before we go on to discussion, the candies being handed out is being out to celebrate the recent marriage of Senator McDonald to Larry Harnisch. They were married at Hotel Del Coronado on February 23. Let's give them a welcome...congratulations. Congratulations, Senator McDonald. Further discussion? Senator Flood. I'm sorry, your light just went off. Further discussion? There are no lights on. Senator Bourne, you're recognized to close on AM2038 to LB 1115.

SENATOR BOURNE: Thank you, Mr. President, members. You've heard what's in the amendment. I don't really think I have any more to add. I'd appreciate your support in adopting AM2038. Thank you.

SENATOR CUDABACK: You've heard the closing on Judiciary Committee amendments, AM2038. Question before the body is, shall the amendment be adopted? All in favor vote aye; opposed, nay. Voting on adoption of the committee amendments presented by Chairman Bourne. Have you all voted on the question who care to? Please record, Mr. Clerk.

CLERK: 31 ayes, 0 nays, Mr. President, on adoption of committee amendments.

SENATOR CUDABACK: Committee amendments are adopted.

CLERK: I have nothing further on the bill, Mr. President.

SENATOR CUDABACK: Thank you, Mr. Clerk. We now go back to discussion, advancement of LB 1115. Open for discussion.

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Senator Friend, there are no lights on. Do you wish to close? I mean Senator Bourne. I don't know why I keep saying Senator Friend. Senator Bourne, you are a friend also. Did not wish to close. Question before the body is, shall LB 1115 advance to E & R Initial? All in favor vote aye; opposed, nay. Have you all voted who care to? Record please, Mr. Clerk.

CLERK: 34 ayes, 0 nays, Mr. President, on the advancement of LB 1115.

SENATOR CUDABACK: LB 1115 does advance. We now go to Select File, consent calendar. Members, please read the conditions in which they will be dealt with. We go to LB 1116.

CLERK: Mr. President, LB 1116. Senator Flood, I have no amendments to LB 1116.

SENATOR CUDABACK: Senator Flood, for a motion.

SENATOR FLOOD: Mr. President, I move the advancement of LB 1116 to E & R for engrossing.

SENATOR CUDABACK: Heard the motion, advance LB 1116 to E & R for engrossing. Open for discussion. Senator Chambers.

SENATOR CHAMBERS: Mr. President, since I missed the discussion on LB 1115, which I support, I will now attempt to do what I was going to do then. I move that the amendment that Senator Cunningham wants to attach to LB 1115 on Select File be stricken. Thank you. (Laughter)

SENATOR CUDABACK: I don't know how to deal with that, Senator Chambers.

SENATOR CHAMBERS: (Microphone malfunction)...withdraw the request. (Laugh)

SENATOR CUDABACK: It is withdrawn. Further discussion? Senator Cunningham.

SENATOR CUNNINGHAM: Thank you, Senator Cudaback and members.

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All I would say is, I oppose.

SENATOR CUDABACK: Thank you, Senator Cunningham. Further discussion? There is a motion on the floor by Senator Flood, advance to E & R Initial. All in favor of the motion say aye. Opposed, nay. It is advanced. Mr. Clerk, LB 196.

CLERK: LB 196. Senator Flood, I have Enrollment and Review amendments pending. (AM7166, Legislative Journal page 761.)

SENATOR CUDABACK: Senator Flood.

SENATOR FLOOD: Mr. President, I move the adoption of the E & R amendments to LB 196.

SENATOR CUDABACK: Heard the motion to adopt the E & R amendments to LB 196. All in favor say aye. Opposed, nay. They are adopted.

CLERK: I have nothing further on that bill, Senator.

SENATOR CUDABACK: Senator Flood.

SENATOR FLOOD: Mr. President, I move the advancement of LB 196 to E & R for engrossing.

SENATOR CUDABACK: Heard the motion, advance LB 196, E & R for engrossing. All in favor of the motion say aye. Opposed, nay. It is advanced. We now go to LB 757.

CLERK: LB 757. I do have Enrollment and Review amendments, Senator Flood. (AM7168, Legislative Journal page 761.)

SENATOR CUDABACK: Senator Flood.

SENATOR FLOOD: Mr. President, I move the adoption of the E & R amendments to LB 757.

SENATOR CUDABACK: Heard the motion, adopt the E & R amendments, LB 757. Open for...Senator Flood, you...or, Senator Foley, your light was on. Did you wish to address this?

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SENATOR FOLEY: Yes, I do. Thank you, Mr. President.

SENATOR CUDABACK: You may do so.

SENATOR FOLEY: I, as you know, I serve on the Judiciary Committee. I voted for this bill at the Judiciary Committee level and I supported it on General File. I received a call yesterday from someone who raised an interesting wrinkle on this bill and I haven't had a chance to fully research it. I just want to put myself on record as saying that I do intend to pursue this, study this issue a little bit further. Have nothing to offer the body right now, but just as a matter of record, I think there may be an unintended consequence associated with this bill and I want to research it further and perhaps offer something on Final, if that's appropriate. Thank you, Mr. President.

SENATOR CUDABACK: Thank you, Senator Foley. You've heard the motion by Senator Flood, adopt E & R amendments. All in favor say aye. Opposed, nay. They are adopted.

CLERK: I have nothing further on the bill, Mr. President.

SENATOR CUDABACK: Senator Flood, for a motion, please.

SENATOR FLOOD: Mr. President, I move the advancement of LB 757 to E & R for engrossing.

SENATOR CUDABACK: Heard the motion, advance LB 757 to E & R for engrossing. All in favor say aye. Opposed, nay. It is advanced. We now go to LB 409.

CLERK: LB 409, Mr. President. I do have Enrollment and Review amendments, Senator. (AM7167, Legislative Journal page 762.)

SENATOR CUDABACK: Senator Flood, please.

SENATOR FLOOD: Mr. President, I move the adoption of the E & R amendments to LB 409.

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SENATOR CUDABACK: Heard the motion to adopt the E & R amendments to LB 409. All in favor of that motion say aye. Opposed to the motion, nay. E & R amendments are adopted.

CLERK: Senator Flood would move to amend with AM2501. (Legislative Journal page 812.)

SENATOR CUDABACK: Senator Flood, to open on AM2501.

SENATOR FLOOD: Mr. President and members, I'll keep this very brief. As a reminder, this bill allows attorneys in fact, guardians, conservators, and others that have been given that power of attorney to sign and transfer real estate. Due to a law made in the late 1800s, we restricted this because at the time, you know, the husband could move out of the house and could sell the house without even the wife signing the deed transferring ownership of the same. In this bill, it essentially, as written in the green copy and as amended by the Enrollment and Review amendments, allows a guardian, a conservator, or attorney in fact, from a power of attorney, to transfer the real estate. AM2501 essentially strikes the word "guardian." Guardians do not have the power over financial affairs. They have the power over the person. So this is just a simple cleanup amendment, making sure that we are clear that attorneys in fact, through a durable power of attorney or any power of attorney validly executed in the state of Nebraska, and conservators in this state can sign and transfer real estate pursuant to the green copy intent of LB 409. Thank you, Mr. President.

SENATOR CUDABACK: Thank you, Senator Flood. You've heard the opening on the Flood amendment, AM2501, to LB 409. Open for discussion. Senator Flood, there are no lights on. Senator Flood waives closing. The question before the body is, shall amendment AM2501 be adopted? All in favor vote aye; opposed to the motion vote nay. The question before the body is adoption of the Flood amendment to LB 409. Have you all voted on the motion who care to? Please record, Mr. Clerk.

CLERK: 35 ayes, 0 nays, Mr. President, on the adoption of Senator Flood's amendment.

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SENATOR CUDABACK: The Flood amendment has been adopted.

CLERK: I have nothing further on the bill, Mr. President.

SENATOR CUDABACK: Thank you, Mr. Clerk. Senator Flood, for a motion, please.

SENATOR FLOOD: Mr. President, I move the advancement of LB 409 to E & R for engrossing.

SENATOR CUDABACK: You've heard the motion by Senator Flood to advance to E & R for engrossing. All in favor say aye. Opposed, nay. It is advance. Mr. Clerk, we now go to LB 860.

CLERK: LB 860. Senator, I have no amendments to that bill.

SENATOR CUDABACK: Senator Flood, for a motion, please.

SENATOR FLOOD: Mr. President, I move the advancement of LB 860 to E & R for engrossing.

SENATOR CUDABACK: You've heard the motion by Senator Flood to advance to E & R for engrossing. All in favor of the motion say aye. Opposed, nay. It is advanced. We now go to LB 795. Mr. Clerk, please.

CLERK: Senator Flood, I have Enrollment and Review amendments to LB 795. (AM7170, Legislative Journal page 762.)

SENATOR CUDABACK: Senator Flood, for a motion, please.

SENATOR FLOOD: Mr. President, I move the adoption of the E & R amendments to LB 795.

SENATOR CUDABACK: You've heard the motion to adopt the E & R amendments to LB 795. All in favor of that motion say aye. Opposed, nay. They are adopted.

CLERK: Senator Cunningham would move to amend, AM2395. (Legislative Journal page 761.)

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SENATOR CUDABACK: Senator Cunningham, you're recognized to open on AM2395 to LB 795.

SENATOR CUNNINGHAM: Thank you, Senator Cudaback and members. This is just a very short amendment that clarifies an issue of when a school district can pay back the incentives when the school district breaks away from a unification. Senator Beutler brought the issue up on the floor the other day. We drafted the amendment to clarify the situation, and Senator Beutler is okay with it. And with that, I would ask for the passage of this amendment.

SENATOR CUDABACK: Thank you, Senator Cunningham. You've heard the opening on the Cunningham amendment, AM2395, which is an amendment to LB 795. Open for discussion. Senator Cunningham, there are no lights on. Senator Cunningham waives closing. The question before the body is adoption of the Cunningham amendment, AM2395, to LB 795. All in favor vote aye; opposed, nay. The question before the body is the Cunningham amendment, which is an amendment to LB 795. Have you all voted on the AM2395 who care to? Please record, Mr. Clerk.

CLERK: 34 ayes, 0 nays, Mr. President, on the adoption of Senator Cunningham's amendment.

SENATOR CUDABACK: The motion was successful. The amendment has been adopted.

CLERK: I have nothing further on the bill.

SENATOR CUDABACK: Thank you, Mr. Clerk. Senator Flood, for a motion, please.

SENATOR FLOOD: Mr. President, I move the advancement of LB 795 to E & R for engrossing.

SENATOR CUDABACK: You've heard the motion to advance to E & R for engrossing. All in favor say aye. Opposed say nay. It is advanced. We now go to LB 787.

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CLERK: LB 787. Senator, I have E & R amendments. (AM7173, Legislative Journal page 763.)

SENATOR CUDABACK: Senator Flood.

SENATOR FLOOD: Mr. President, I move the adoption of the E & R amendments to LB 787.

SENATOR CUDABACK: You've heard the motion to adopt the E & R amendments to LB 787. All in favor of the motion say aye. Opposed, nay. They are adopted.

CLERK: I have nothing further on that bill, Senator.

SENATOR FLOOD: Mr. President, I move the adoption...the advancement of LB 787 to E & R for engrossing.

SENATOR CUDABACK: You've heard the motion by Senator Flood, advance LB 787 to E & R for engrossing. All in favor say aye. Opposed, nay. It is advanced. Next agenda item, LB 792. Mr. Clerk, please.

CLERK: LB 792. I do have Enrollment and Review amendments, Senator. (AM7171, Legislative Journal page 763.)

SENATOR CUDABACK: Senator Flood, please.

SENATOR FLOOD: Mr. President, I move the adoption of the E & R amendments to LB 792.

SENATOR CUDABACK: You've heard the motion to adopt the E & R amendments to LB 792. All in favor of that motion say aye. Opposed, nay. They, too, are adopted.

CLERK: I have nothing further on that bill, Senator.

SENATOR CUDABACK: Senator Flood, for a motion, please.

SENATOR FLOOD: Mr. President, I move the advancement of LB 792 to E & R for engrossing.

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SENATOR CUDABACK: You've heard the motion to advance LB 792 to E & R for engrossing. All in favor say aye. Opposed, nay. LB 792 is advanced. We now go to LB 819. Mr. Clerk, please.

CLERK: LB 819, Mr. President. I have no amendments to that bill, Senator.

SENATOR CUDABACK: Senator Flood, for a motion, please.

SENATOR FLOOD: Mr. President, I move the advancement of LB 819 to E & R for engrossing.

SENATOR CUDABACK: You've heard the motion to advance LB 819 to E & R for engrossing. All in favor say aye. Opposed, nay. LB 819 is advanced. We now go to LB 1066. Mr. Clerk.

CLERK: LB 1066. No amendments to the bill, Senator.

SENATOR CUDABACK: Senator Flood, please, for a motion.

SENATOR FLOOD: Mr. President, I move the advancement of LB 1066 to E & R for engrossing.

SENATOR CUDABACK: You've heard the motion to advance LB 1066 to E & R for engrossing. All in favor of the motion say aye. Opposed, nay. LB 1066 is advanced. Next agenda item, LB 833. Mr. Clerk, please.

CLERK: LB 833. No E & Rs. Senator Byars would move to amend with AM2507. (Legislative Journal pages 813-816.)

SENATOR CUDABACK: Senator Byars, you're recognized to open on AM2507 to LB 833.

SENATOR BYARS: Thank you, Mr. President. I am...in the finest respect to my friend Senator Beutler, I'm "Beutlerizing" my own amendment. I am wordsmithing and looking at some cleanup language for the Department of Health and Human Services, the Hospital Association, the Medical Association, working to refine the language even further than we had in the original bill. As you remember, it was introduced to address situations where a

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physician is licensed in another state but there was insufficient nexus to require licensure in Nebraska. And there had been several questions relative to how we did some...we had clear direction from the Legislature on what is permissible when a person is occasionally or regularly practicing medicine in Nebraska. And this amendment achieves that goal. The term "good standing" was added. And I wanted to make sure...Senator Smith did have some questions relative to the bill as far as checking on databases to check physicians' licenses, and there are two data banks that are used, one a National Practitioner Data Bank, another, the Federation of State Medical Boards Action Data Bank, that does that checking. So this amendment helps clear up any remaining ambiguity in the language in LB 833, and I would ask for its adoption.

SENATOR CUDABACK: Thank you, Senator Byars. You've heard the opening on AM2507. Open for discussion. Senator Chambers, you're recognized.

SENATOR CHAMBERS: Mr. President, I caught part of what Senator Byars said, so I'm going to ask him to shorten up what...because he gave the explanation, and say just succinctly exactly what it does.

SENATOR CUDABACK: Senator Byars, would you...?

SENATOR CHAMBERS: The amendment.

SENATOR CUDABACK: Excuse me.

SENATOR BYARS: Yes. Senator Chambers, it clears up some ambiguity that was in the original language, and makes very clear as far as what is permissible when a person is going to occasionally practice in the state of Nebraska.

SENATOR CHAMBERS: Thank you, Senator Byars. Thank you, Mr. President. That's all that I have.

SENATOR CUDABACK: Thank you, Senator Chambers. Further discussion on AM2507? Senator Byars, there are no lights on. Senator Byars waives closing. The question before the body is,

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shall AM2507, offered by Senator Byars, be adopted to LB 833? All in favor of the motion vote aye; opposed, nay. The question before the body is the Byars amendment, which amends LB 833. Have you all voted on the question who care to? Please record, Mr. Clerk.

CLERK: 27 ayes, 0 nays, Mr. President, on the adoption of Senator Byars' amendment.

SENATOR CUDABACK: The Byars amendment has been adopted.

CLERK: I have nothing further on the bill.

SENATOR CUDABACK: Thank you, Mr. Clerk. Senator Flood, for a motion, please.

SENATOR FLOOD: Mr. President, I move the advancement of LB 833 to E & R for engrossing.

SENATOR CUDABACK: You've heard the motion to advance LB 833. All in favor say aye. Opposed, nay. LB 833 is advanced. We now go down to LB 789.

CLERK: LB 789. Senator, I have no amendments to the bill.

SENATOR CUDABACK: Senator Flood, for a motion, please.

SENATOR FLOOD: Mr. President, I move the advancement of LB 789 to E & R for engrossing.

SENATOR CUDABACK: You've heard the motion to advance LB 789 to E & R for engrossing. All in favor of the motion say aye. Opposed, nay. LB 789 is advanced. We now go to LB 1008.

CLERK: Mr. President, on LB 1008 I have no E & R amendments. Senator Chambers would move to amend, FA487.

SENATOR CUDABACK: Senator Chambers, you're recognized to open on FA487 to LB 1008.

SENATOR CHAMBERS: Mr. President, I withdraw that amendment.

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SENATOR CUDABACK: It is withdrawn.

CLERK: I have nothing further on the bill, Mr. President.

SENATOR CUDABACK: Senator Flood, for a motion, please.

SENATOR FLOOD: Mr. President, I move the advancement of LB 1008 to E & R for engrossing.

SENATOR CUDABACK: You've heard the motion to advance LB 1008 to E & R for engrossing. All in favor say aye. Opposed, nay. LB 1008 is advanced. We now go to LB 1008A.

CLERK: LB 1008A. Senator, I have no amendments to the bill.

SENATOR CUDABACK: Senator Flood, please.

SENATOR FLOOD: Mr. President, I move the advancement of LB 1008A to E & R for engrossing.

SENATOR CUDABACK: You've heard the motion to advance LB 1008A to E & R for engrossing. All in favor of that motion say aye. Opposed to the motion, nay. It is advanced. Back of the page, please. LB 823.

CLERK: LB 823. Senator, I have no amendments to the bill.

SENATOR CUDABACK: Senator Flood, please.

SENATOR FLOOD: Mr. President, I move the advancement of LB 823 to E & R for engrossing.

SENATOR CUDABACK: You've heard the motion to advance LB 823 to E & R for engrossing. All in favor say aye. Opposed, nay. LB 823 is advanced. We now move on to LB 921, please, Mr. Clerk.

CLERK: LB 921. Senator, I have Enrollment and Review amendments pending. (AM7172, Legislative Journal page 763.)

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SENATOR CUDABACK: Senator Flood, please.

SENATOR FLOOD: Mr. President, I move the adoption of the E & R amendments to LB 921.

SENATOR CUDABACK: You've heard the motion to adopt the E & R amendments to LB 921. All in favor of that motion say aye. All opposed, nay. They are adopted. Senator Flood, for a motion, please.

SENATOR FLOOD: Mr. President, I...

SENATOR CUDABACK: Mr. Clerk, I should have asked you, was there anything further?

CLERK: I have nothing further, Mr. President.

SENATOR CUDABACK: Senator Flood, for a motion.

SENATOR FLOOD: Mr. President, I move the advancement of LB 921 to E & R for engrossing.

SENATOR CUDABACK: You've heard the motion to advance LB 921 to E & R for engrossing. All in favor say aye. Opposed, nay. It is advanced. Mr. Clerk, LB 941.

CLERK: LB 941. Senator, I have no amendments to the bill.

SENATOR CUDABACK: Senator Flood, for a motion, please.

SENATOR FLOOD: Mr. President, I move the advancement of LB 941 to E & R for engrossing.

SENATOR CUDABACK: You've heard the motion to advance LB 941 to E & R for engrossing. All in favor say aye. Opposed, nay. It, too, is advanced. Next legislative bill is LB 771. Mr. Clerk, please.

CLERK: LB 771. Senator, I have no amendments to the bill.

SENATOR CUDABACK: Senator Flood, please.

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SENATOR FLOOD: Mr. President, I move the advancement of LB 771 to E & R for engrossing.

SENATOR CUDABACK: You've heard motion by Senator Flood to advance LB 771 to E & R for engrossing. All in favor say aye. Opposed, nay. LB 771 is advanced. We now go to LB 1067.

CLERK: LB 1067. Senator, I have no amendments to the bill.

SENATOR CUDABACK: Senator Flood, please, for a motion.

SENATOR FLOOD: Mr. President, I move the advancement of LB 1067 to E & R for engrossing.

SENATOR CUDABACK: You've heard the motion to advance LB 1067 to E & R for engrossing. All in favor of that motion say aye. Opposed to the motion, nay. LB 1067 is advanced. We now go to LB 1178. Mr. Clerk, please.

CLERK: LB 1178. Senator, I have no amendments to the bill.

SENATOR CUDABACK: Senator Flood, please, for a motion.

SENATOR FLOOD: Mr. President, I move the advancement of LB 1178 to E & R for engrossing.

SENATOR CUDABACK: You've heard the motion by Senator Flood to advance LB 1178 to E & R for engrossing. All in favor of that motion say aye. Opposed, nay. LB 1178 is advanced. We now go to the final bill on the consent calendar, LB 815. Mr. Clerk, please.

CLERK: LB 815. Senator, I have Enrollment and Review amendments. (AM7169, Legislative Journal page 763.)

SENATOR CUDABACK: Senator Flood, for a motion, please.

SENATOR FLOOD: Mr. President, I move the adoption of the E & R amendments to LB 815.

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SENATOR CUDABACK: You've heard the motion to adopt the E & R amendments to LB 815. All in favor say aye. Those opposed, nay. They are adopted.

CLERK: I have nothing further on LB 815, Senator.

SENATOR CUDABACK: Senator Flood, for a motion.

SENATOR FLOOD: Mr. President, I move the advancement of LB 815 to E & R for engrossing.

SENATOR CUDABACK: You've heard the motion, advance LB 815 to E & R for engrossing. All in favor of that motion say aye. All opposed, nay. LB 815 is advanced. That concludes the consent calendar. We will now move on. Mr. Clerk, do you have any items or any...?

CLERK: Not at this time, Mr. President.

SENATOR CUDABACK: Thank you. We now move on to Select File. Mr. Clerk, LB 647, please.

CLERK: Senator Flood, I have Enrollment and Review amendments, first of all, to LB 647. (AM7049, Legislative Journal page 786, First Session, 2005.)

SENATOR CUDABACK: Senator Flood, for a motion, please.

SENATOR FLOOD: Mr. President, I move the adoption of the E & R amendments to LB 647.

SENATOR CUDABACK: You've heard the motion to adopt the E & R amendments to LB 647. All in favor say aye. Opposed, nay. E & R amendments are adopted.

CLERK: Senator Brashear would move to amend with AM2460, Mr. President. (Legislative Journal page 783.)

SENATOR CUDABACK: Senator Brashear, you're recognized to open on AM2460 to LB 647.

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SPEAKER BRASHEAR: Thank you, Mr. President, members of the body. LB 647 is a bill that would require limited liability companies to file biennial reports with the Secretary of State. It moved to Select File on consent calendar last session, where I agreed to hold it, pending further discussions with interested parties. Since that time, the Secretary of State, Mr. Gale, has approached my office with the additional revisions to the corporate filing statutes which I agreed to introduce as LB 1261. LB 1261 advanced unanimously from the Banking, Commerce and Insurance Committee, and AM2460 will join together the two bills. Although there are those who disagree with the policy of having limited liability companies, or LLCs, file reports, there is no organized opposition that I am aware of to LB 647 or LB 1261. The policy presented would bring Nebraska LLC statutes in line with those already in place for limited liability partnerships, or LLPs, and also in line with the requirements imposed upon LLCs in most surrounding states. This policy imposes only a slight burden, but results in much greater administrative efficiency for the Secretary of State. The provisions of LB 1261 would be added in this amendment, and would generally provide for cleanup language to improve operations within the Secretary of State's Office. First, the current statutes do not provide for authority for the Secretary of State to accept amendments to corporate filings. Often, corporations seek to amend their filings in order that public records will conform to changes made since the prior or last filing. The amendment would provide statutory authority for such amendments. Second, the bill would address an anomaly with respect to refunds of excess occupational tax. There is currently no time limit on the period in which a corporation may seek a refund for overpayment of its occupational taxes. But there is a statutory requirement that the Secretary of State retain records for only a five-year period. Thus, refund requests for periods greater than five years cannot be verified. The amendment would add a five-year time limit on refund requests in order that the record retention period would be consistent with the permissible refund period. Third, the amendment clarifies provisions relating to LLCs that offer professional services. The Limited Liability Company Act does not currently address certain issues relating to the provision of professional services using an LLC, and the amendment would

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provide definitions and provide clarifying language with respect to that omission. Fourth, the amendment provides additional cleanup language regarding changes with regard to registered agents and the service of process. I respectfully submit that the amendments are worthy and merit your consideration, your adoption, and the advancement of LB 647. Thank you.

SENATOR CUDABACK: Thank you, Senator Brashear. You've heard the opening on AM2460. Open for discussion. Senator Chambers, you're recognized.

SENATOR CHAMBERS: Mr. President, members of the Legislature, I would like to ask Senator Dwite Pedersen a question.

SENATOR CUDABACK: Senator Pedersen, would you respond?

SENATOR Dw. PEDERSEN: Yes, Senator Chambers.

SENATOR CHAMBERS: Senator Pedersen, are you in accord with Senator Brashear's amendment that he's offering us this morning?

SENATOR Dw. PEDERSEN: I'm not so sure I even understand it. I was trying to listen to him to see...to make sure...

SENATOR CHAMBERS: But as much as you heard, does it sound like it's okay?

SENATOR Dw. PEDERSEN: It sounds like it's okay. Nobody is in opposition to it, in organized opposition.

SENATOR CHAMBERS: Or...oh, so is there any disorganized opposition that you're aware of?

SENATOR Dw. PEDERSEN: Not that I'm aware of, Senator, no.

SENATOR CHAMBERS: And you're not saying that the only opposition that would get your attention would be if it's organized?

SENATOR Dw. PEDERSEN: I'm not saying that, no.

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SENATOR CHAMBERS: Thank you. I didn't so. I'd like to ask Senator Brashear a question.

SENATOR CUDABACK: Senator Brashear, would you respond to a question?

SPEAKER BRASHEAR: Yes, Mr. President, I will.

SENATOR CHAMBERS: Senator Brashear, I can't let one of your bills go without some kind of commentary or a little discussion. You said that all of the interested parties had been contacted or had the opportunity to...exactly what did you say about the interested parties?

SPEAKER BRASHEAR: Well, I'm going to be much more careful in how I say it. What I said was that we had worked with the interested parties since I put the bill on hold last session, off of consent calendar, and it's my understanding that we have satisfied their concerns, other than the general policy issue, which I attempted to identify at the beginning, that some people just would not have these entities report at all. And I respectfully disagree with that. I think it's bad public policy, for a reason I hope you would support, which is that if we're...these are creatures of the state, they are creatures of the statute, we allow them to exist, so I think we ought to maintain minimal compliance.

SENATOR CHAMBERS: Senator Brashear, I have an interest in practically everything that goes on in this Legislature, this bill and its subject matter being no exception. What did you mean by the term "interested persons"?

SPEAKER BRASHEAR: I used that as a term of art, meaning people who had participated in the exercises, the process and the procedure, to this point in time.

SENATOR CHAMBERS: Thank you. And I'm going to support the amendment. I think I understand it about as well as Senator Dwite Pedersen. And if it's all right with Senator Dwite Pedersen, it's all right with me. Thank you, Mr. President.

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SENATOR CUDABACK: Thank you, Senator Chambers. Further discussion on the Brashear amendment, AM2460? Senator Beutler.

SENATOR BEUTLER: Senator Cudaback, members of the Legislature. Just a quick question, Mr. Speaker. You have...with respect to the report that's being filed, you have a provision that there shall be no recording fee collected for the filing of the biennial report or any corrections or amendments thereto. Is it your intent that this will continue to be cash funded, but you're of the opinion that no A bill is necessary, there's enough money in the fund to take care of this expense? Is that what your intent is?

SENATOR CUDABACK: Senator...

SPEAKER BRASHEAR: That is my opinion, and that is my intent.

SENATOR BEUTLER: Okay, so there's no...

SPEAKER BRASHEAR: The system ought to maintain itself.

SENATOR BEUTLER: Okay. So there's intent to involve General Funds here at all?

SPEAKER BRASHEAR: That is correct.

SENATOR BEUTLER: Thank you.

SENATOR CUDABACK: Thank you, Senator Beutler. Further discussion on the Brashear amendment? There are no lights on. Senator Brashear, did you wish to close? You're recognized to close.

SPEAKER BRASHEAR: Mr. President, only just briefly, because, Senator Beutler, I don't want to mislead. I'm now advised that there will be an A bill, but it will not involve General Funds. It will simply make permissible the expenditure as you identified it. And with that, Mr. President, I have nothing further. Thank you.

SENATOR CUDABACK: Thank you. You've heard the closing on

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AM2460. The question before the body is, shall that amendment be adopted to LB 647? All in favor vote aye; those opposed vote nay. The question before the body is the Brashear amendment, AM2460, which is an amendment to LB 647. Have you all voted on the question who care to? Please record, Mr. Clerk.

CLERK: 30 ayes, 0 nays, Mr. President, on the adoption of Senator Brashear's amendment.

SENATOR CUDABACK: The motion was successful. The amendment has been adopted.

CLERK: I have nothing further on the bill, Mr. President.

SENATOR CUDABACK: Thank you, Mr. Clerk. Senator Flood, for a motion, please.

SENATOR FLOOD: Mr. President, I move the advancement of LB 647 to E & R for engrossing.

SENATOR CUDABACK: You've heard the motion by Senator Flood, advance LB 647 to E & R for engrossing. All in favor say aye. Opposed, nay. LB 647 is advanced. We now move to LB 32. Mr. Clerk, please.

CLERK: LB 32. Senator, I have Enrollment and Review amendments, first of all. (AM7140, Legislative Journal page 472.)

SENATOR CUDABACK: Senator Flood, please.

SENATOR FLOOD: Mr. President, I move the adoption of the E & R amendments to LB 32.

SENATOR CUDABACK: You've heard the motion to adopt the E & R amendments, LB 32. All in favor say aye. Opposed, nay. They are adopted.

CLERK: Senator Beutler would move to amend with FA408.

SENATOR CUDABACK: Senator Beutler, to open on FA408. Senator

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Beutler.

SENATOR BEUTLER: Senator Cudaback, I'd withdraw that amendment.

SENATOR CUDABACK: FA408 is withdrawn.

CLERK: I have nothing further on the bill, Mr. President.

SENATOR CUDABACK: Senator Flood, please.

SENATOR FLOOD: Mr. President, I move the advancement of LB 32 to E & R for engrossing.

SENATOR CUDABACK: You've heard the motion to advance LB 32 to E & R for engrossing. All in favor say aye. Opposed, nay. LB 32 is advanced. We now move on to LB 508.

CLERK: Mr. President, LB 508. I have no Enrollment and Review amendments. The first amendment to the bill, Senator Beutler, FA77.

SENATOR CUDABACK: Senator Beutler, you're recognized to open on FA77 to LB 508.

SENATOR BEUTLER: Senator Cudaback, I'd withdraw that amendment.

SENATOR CUDABACK: The amendment is withdrawn. Mr. Clark, further motions?

CLERK: There are, Mr. President. The next amendment I have, Senator Schrock, AM2244. (Legislative Journal page 642.)

SENATOR CUDABACK: Senator Schrock, to open on AM2244 to LB 508.

SENATOR SCHROCK: Mr. President, members of the Legislature, AM2244 becomes the bill. Section 1 incorporates provisions of LB 1099, as advanced by the committee. LB 1099, as amended, would simply state that the headwater segment of a natural stream is the portion shown as an intermittent stream on the most recently published U.S. Geological Survey topographical quadrangle map. The NRDs wanted to go further, but this was a

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compromise with the Department of Natural Resources. Section 2 and 3 incorporate provisions of LB 1164, dealing with replacement wells. It allows that an old well being replaced, it can be converted to a monitoring, observation, or a livestock well, or other nonconsumptive use of less than 50 gallons per minute. This conversion must be approved by the natural resource district. It also shortens the time frame from one year to 180 days to properly decommission a well or convert it to a new use. It allows districts to further define replacement wells under the Groundwater Management Act, and to restrict consumptive use. It requires a municipal water well to be commissioned...decommissioned within one year after the completion of a new replacement well. This bill advanced unanimously by the committee. Sections 4, 5, 6, and 10 incorporate provisions of LB 822, Senator Kremer's bill, that would allow a licensed pump installer to wire pumps and pumping equipment at a water well location to the first control. This is an existing source of electricity. It eliminates the need to have two people present--a pump installer, and electrician--involved in installing a new pump or repairing a pump in a well. It also allows the breaking of a seal of a water well to be carried out by a state electrical inspector in order to inspect the wiring that pump installers complete. Also contains a clause that nothing in the State Electrical Act shall prohibit a pump installation contractor or pump installation supervisor credentialed under the Water Well Standards and Contractor Licensing Act from wiring pumps and pumping equipment at a water well location to the first control. This bill advanced unanimously, and would end duplication. Section 8 and 9 contains the original provisions of LB 508 as discussed on General File. There are no changes to that bill by this amendment. LB 508 would allow the districts to provide at least 60 percent of the cost-share of up to a maximum of \$500 for water well decommissioning. I would appreciate your consideration on this amendment.

SENATOR CUDABACK: Open for discussion on the Schrock amendment.  
Senator Bourne.

SENATOR BOURNE: Thank you, Mr. President, members. Would Senator Schrock yield to a question or two, please?

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SENATOR CUDABACK: Senator Schrock.

SENATOR SCHROCK: Yes, I will.

SENATOR BOURNE: Senator Schrock, could you again go over what you had said regarding what's in this amendment as it relates to allowing nonelectricians to wire these pumps, and also tell me which bill that was?

SENATOR SCHROCK: Okay. They are...they would be licensed as an electrical pump installer, and so they are licensed people. And it would allow them to wire the well, and it would eliminate duplication at the pump site.

SENATOR BOURNE: What bill was that, Senator Schrock?

SENATOR SCHROCK: LB 822.

SENATOR BOURNE: And what...and the reason I'm interested in this is, I've been working with Senator Pahls and other folks on the state electrical inspectors, and I'm just curious what exactly...this just kind of piqued my interest when I heard that. Are these folks that would wire this, are they trained?

SENATOR SCHROCK: Senator Bourne, this is Senator Kremer's bill. I think I'll give him some of the time, if that's fine?

SENATOR BOURNE: Would Senator Kremer yield to a question?

SENATOR CUDABACK: Senator Kremer, would you yield?

SENATOR KREMER: Yes, I will. Yes.

SENATOR BOURNE: Senator Kremer, could you just kind of briefly run through...and again, what your portion of Senator Schrock's AM2244 is AM0822 (sic).

SENATOR KREMER: Okay. This came up very quickly here, but what I remember, in...I might say that the electrical contractors worked together on this and they supported it. And it only says

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that the well installer can lay this wire up to the point of...the first point of...I can't remember what, it was like the control box, and somebody else can wire it in. But it allows them to lay the wire from the electric motor to the control box. Then...but the way it was now, two people had to be there, and they couldn't always be there at the same time. It was very supportive of the electrical engineers. I guess anything else you might ask, why, I'll (inaudible).

SENATOR BOURNE: So I guess...so, Senator Kremer, what you're saying, it allows the...it allows a pump installer to run the line up to the motor. And then would an electrician be required then to finish pulling the wire and wiring up the motor on the pump?

SENATOR KREMER: I think they could take it up to--and I was trying to find the wording on here, I just got the information up here now--taking it up to the source of the electricity, and then I think an electrician would hook the wire up. But it allows them to...if it's 10 feet away or 100 feet away, the pump installers could dig the trench and lay the wire in there up to that point of...what's it called? Down to...yeah. The electrician takes it from the pole to the box; the pump installer can take it from the motor to the box, and then the electrician would connect the wires, which is pretty simple.

SENATOR BOURNE: Okay. So there is a licensed individual that would finish the ultimate connection between the electricity and the motor. Is that correct?

SENATOR KREMER: Do the final hookup, I think. Just...it actually would...if the wires are right there and the control box is there, that they would just connect the wires, yes. But the electrical engineer...or, the electrical contractors were very supportive of the bill.

SENATOR BOURNE: I see where the State Electrical Board did testify in support of...

SENATOR KREMER: And I think they worked together even to draft the bill. They...the pump installers and the electrical people

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worked together on this.

SENATOR BOURNE: Thank you, Senator Kremer.

SENATOR CUDABACK: Thank you, Senator Bourne. Further discussion? Senator Schrock, there are no lights on. You're recognized to close.

SENATOR SCHROCK: Mr. President, we just had a couple bills we wanted to incorporate in here. They were simple bills, bills that were totally agreed to, and we would like to move them on LB 508 so that we can get them passed this session. Thank you.

SENATOR CUDABACK: Thank you, Senator Schrock. You've heard the closing. The question before the body is adoption of AM2244. All in favor vote aye; opposed vote nay. The question before the body is the Schrock amendment, AM2244, which is an amendment to LB 508. Have you all voted on the Schrock amendment who care to? Please record, Mr. Clerk.

CLERK: 28 ayes, 0 nays, Mr. President, on the adoption of Senator Schrock's amendment.

SENATOR CUDABACK: The amendment has been adopted.

CLERK: Mr. President, Senator Schrock would move to amend with AM2468. (Legislative Journal page 796.)

SENATOR CUDABACK: Senator Schrock, to open on AM2468.

SENATOR SCHROCK: Mr. President, members of the Legislature, this amendment is LB 140, which was advanced by the Natural Resources Committee unanimously. It simply adds a tenth member to the Water Well Standards and Contractors Licensing Board by including a holder of a license or a certified...or certificate issued under the Well...Water Well Standards and Contractors Licensing Act, employed by a natural resource district. It also clarifies that the directors of Health and Human Services Regulation and Licensure, the Department of Environmental Quality, and the Department of Natural Resources may send a designated representative to serve on the board. So it

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clarifies some language that the Health and Human Services, the Department of Environmental Quality, and the Department of Natural Resources may send a designated representative to serve on the board, and it includes a tenth member to the Water Well Standards and Contractors Licensing Board by including a holder of a license or certificate issued under the Water Well Standards and Contractors Licensing Act, employed by the natural resource districts. So this gets the natural resource districts involved, and this is what the contractors...this is what the board does. And they deal with water regulations and licensing of irrigation wells and the proper maintenance and implementation of our laws. So I would ask for your consideration on AM2468.

SENATOR CUDABACK: Thank you, Senator Schrock. You've heard the opening on the Schrock amendment, AM2468. Open for discussion. Senator Schrock, there are no lights on. Senator Schrock waives closing. The question before the body is, shall AM2468 be adopted to LB 508? All in favor of the motion vote aye; opposed vote nay. The question before the body is adoption of the Schrock amendment, being AM2468. Have you all voted who care to? Please record, Mr. Clerk.

CLERK: 29 ayes, 0 nays, Mr. President, on the adoption of Senator Schrock's amendment.

SENATOR CUDABACK: The Schrock amendment has been adopted.

CLERK: I have nothing further on the bill, Mr. President.

SENATOR CUDABACK: Senator Flood, for a motion, please.

SENATOR FLOOD: Mr. President, I move the advancement of LB 508 to E & R for engrossing.

SENATOR CUDABACK: You've heard the motion to advance LB 508 to E & R for engrossing. All in favor of the motion say aye. All opposed to the motion say nay. Think the ayes have it. It is advanced. We now go to LB 87.

CLERK: LB 87, Mr. President. Senator Flood, I have Enrollment

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and Review amendments, first of all. (AM7147, Legislative Journal page 514.)

SENATOR CUDABACK: Senator Flood, please.

SENATOR FLOOD: Mr. President, I move the advancement of the E & R amendments to LB 87.

SENATOR CUDABACK: You've heard the motion by Senator Flood, E & R amendments to LB 87. All in favor say aye. Opposed, nay. They are adopted.

CLERK: Mr. President. Senator Byars, I have AM2188, but I have a note you'd like to withdraw AM2188.

SENATOR CUDABACK: Senator Byars.

SENATOR BYARS: That is correct.

SENATOR CUDABACK: It is withdrawn.

CLERK: Mr. President, Senator Byars would move to amend with AM2239. (Legislative Journal page 621.)

SENATOR CUDABACK: Senator Byars, you're recognized to open on AM2239 to LB 87.

SENATOR BYARS: Thank you, Mr. President. Just to refresh your memory, LB 87 is a continuation of licensure regulations for the deaf and hard of hearing interpreters. Most of these statutes were...most of these were placed in...the licensure requirements were placed in statute in 2002, and LB 87 was brought to me by the deaf and hard of hearing to clarify those statutes. As we looked, and Senator Schimek and Senator Beutler had several questions relative to the issue of term limits relative to the members of the commission, and what the commission was desiring. We have made that clear in LB 87 in striking original language and inserting more appropriate language, and also giving an opportunity for a public hearing for individuals who were dismissed for one reason or another. So I would ask for your adoption of AM2239 to LB 87.

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SENATOR CUDABACK: Thank you, Senator Byars. You've heard the opening on AM2239. Open for discussion. Senator Byars, there are no lights on. Senator Byars waives closing. The question before the body is, shall AM2239 be adopted to LB 87? All in favor vote aye; all those opposed vote nay. The question before the body is adoption of the Byars amendment, AM2239, which is an amendment to LB 87. Have you all voted on the question who care to? Please record, Mr. Clerk.

CLERK: 29 ayes, 0 nays, Mr. President, on the adoption of Senator Byars' amendment.

SENATOR CUDABACK: The Byars amendment has been adopted.

CLERK: Senator Chambers would move to amend. (FA516, Legislative Journal page 818.)

SENATOR CUDABACK: Senator Chambers, you're recognized to open on your amendment.

SENATOR CHAMBERS: Mr. President, members of the Legislature, I had offered some very inconsequential amendments as far as changing the thrust of the bill on General File, and I withdrew them with the intent of offering them again on Select. And here is where they would be located, for Senator Byars' information. On page 5 of your amendment AM1812,...

SENATOR CUDABACK: Senator Byars.

SENATOR BYARS: Yes.

SENATOR CHAMBERS: I'm going to give him time to locate it, and when he gives me the high sign, I will then proceed to point out what the amendment would do. Senator Byars, if you will find line 14,...are you with me?

SENATOR BYARS: I'm with you.

SENATOR CHAMBERS: Where it says "investigate claims of," I believe, as I read this language, what they're talking about are

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complaints rather than claims. So I'll give you a chance to look that over. If you start reading in line 11, it says, "The Interpreter Review Board shall," and using the current language, "investigate claims of the use of interpreters by any appointing authority," and so forth. Are they talking about claims, or complaints, regarding this activity, because it goes on to say that would be in violation of Section 20-150? So if what they're investigating are activities in violation of the statute, it seems that what they would be investigating are complaints.

SENATOR BYARS: I don't have any problem with that, Senator.

SENATOR CHAMBERS: Okay. And then I'll tell you what the second one is. In the very next line, where it says, "the provision of interpreting services," I would just change that word "provision" to "providing," so that we're dealing with the providing of these services.

SENATOR BYARS: I again have no problem, Senator.

SENATOR CHAMBERS: Thank you. Mr. President, that is the amendment that I'm offering. Senator Byars and I have gone through it. I have nothing further. And if no lights come on, then I will waive closing. Thank you.

SENATOR CUDABACK: Anybody wishing to discuss the Chambers amendment? There are no lights on. Senator Chambers waives closing. The question before the body is, shall FA516 be adopted to LB 87? All in favor vote aye; opposed vote nay. We're voting on the Chambers amendment, FA516. Have you all voted on the amendment who wish to? Please record, Mr. Clerk.

CLERK: 33 ayes, 0 nays, Mr. President, on the adoption of Senator Chambers' amendment.

SENATOR CUDABACK: The motion was successful. The amendment has been adopted.

CLERK: I have nothing further on the bill, Mr. President.

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SENATOR CUDABACK: Senator Flood, for a motion.

SENATOR FLOOD: Mr. President, I move the advancement of LB 87 to E & R for engrossing.

SENATOR CUDABACK: You've heard the motion to advance LB 87 to E & R for engrossing. All in favor say aye. All opposed, nay. It is advanced. Mr. Clerk, LB 87A.

CLERK: LB 87A. Senator, I have no amendments to that bill.

SENATOR CUDABACK: Senator Flood, for a motion, please.

SENATOR FLOOD: Mr. President, I move the advancement of LB 87A to E & R for engrossing.

SENATOR CUDABACK: You've heard the motion to advance LB 87A to E & R for engrossing. All in favor of that motion say aye. And opposed, nay. LB 87A is advanced. We now move on to LB 75, please. Mr. Clerk.

CLERK: Mr. President, I have Enrollment and Review amendments, first of all. (AM7151, Legislative Journal page 544.)

SENATOR CUDABACK: Senator Flood, please.

SENATOR FLOOD: Mr. President, I move the adoption of the E & R amendments to LB 75.

SENATOR CUDABACK: You've heard the motion to adopt the E & R amendments to LB 75. All in favor say aye. Opposed, nay. They are adopted.

CLERK: Senator Chambers would move to amend, FA422. (Legislative Journal page 609.)

SENATOR CUDABACK: Senator Chambers, you're recognized to open on your amendment.

SENATOR CHAMBERS: Mr. President, I'm going to have to get caught up to where we are.

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SENATOR CUDABACK: FA422.

SENATOR CHAMBERS: Mr. Clerk, could you read that amendment?

CLERK: Page 1, line 16, after the word "cities," insert "except a city of the metropolitan class as defined by law."

SENATOR CHAMBERS: Thank you. Mr. President, this is an amendment that I had discussed the last time we were on this bill, and now, not only am I opposed to the inclusion of Omaha and other cities in this matter which deals only with Lincoln, but I'm opposed to the bill itself now. Senator Beutler had made a case that I cannot describe as compelling, but it was persuasive to me. This is that issue we were talking about where Lincoln had sold a hospital, or by some means came into some money. There is an endowment, if I understand correctly, in which this money resides. Under the present law, there is a restricted area within which such funds can be invested. There are other areas more lucrative in terms of giving a return that some people believe do exist. They also believe that the city should be able to invest this money in some of these other activities to try to realize more of a return on the money that they have. No other city that I've been able to discover has such an endowment. None of these other entities has been brought to my attention as being situated as Lincoln is. Those entities would include all cities other than Lincoln, villages, school districts, public power districts, and other political subdivisions. None of those is affected by this language at present. I want to remove Omaha from this bill, which is a proposed constitutional amendment. I had spoken with the lobbyist for the city of Omaha, and Omaha not only has no such endowment fund, but is not contemplating having one. In a city such as Omaha, if there are individuals with enough money that they want to donate for the purpose of benefiting the city of Omaha, they are not going to turn it over to the city; they will set up, perhaps, a fund, and make the return on the principal available for use by the city. And they would probably have a fund administrator who would be in charge of seeing how this money would be utilized in behalf of the city. Initially, I was interested in just withdrawing Omaha from this activity. Now, I

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have been put in a frame of mind to be opposed to the bill. And before I explain why, I'm going to ask Senator Beutler a question or two, so that it's clear what the scope of the bill is and what it's aimed at accomplishing.

SENATOR CUDABACK: Senator Beutler. Would you yield, Senator Beutler?

SENATOR BEUTLER: Sure.

SENATOR CHAMBERS: Senator Beutler, which city is this language designed to benefit?

SENATOR BEUTLER: Senator, this language is designed to benefit all political subdivisions who may, by one means or another, come upon funds that can be set aside in endowment and benefit the purposes of that particular political subdivision.

SENATOR CHAMBERS: That is what the language, as it exists now, would do.

SENATOR BEUTLER: Right.

SENATOR CHAMBERS: Which city's interests resulted in your bringing this bill?

SENATOR BEUTLER: Senator, the...as you know, the case study that shows the deficit in our current laws is the Community Health Endowment in Lincoln.

SENATOR CHAMBERS: And if that situation had not existed in Lincoln right now, we would not be looking at this proposed constitutional amendment. Is that an accurate statement?

SENATOR BEUTLER: Well, we probably wouldn't be looking at it at this moment in time, until somebody else identified a similar problem in their area.

SENATOR CHAMBERS: And that problem would exist is if that other city or entity had the same type of fund positioned as the one we're discussing now with reference to Lincoln. Is that

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accurate?

SENATOR BEUTLER: Well, if I understood what you said, I think that's generally accurate.

SENATOR CHAMBERS: Okay. Now, to strip away everything else, without anything pejorative being included by this next question, this basically and primarily is a Lincoln-centered proposal. Is that true or not?

SENATOR BEUTLER: Senator, that's not true. This applies to anybody who is in that situation. You may want to focus it on Lincoln, but that's...

SENATOR CHAMBERS: Then let me ask you this.

SENATOR BEUTLER: ...that really wouldn't be good policy,...

SENATOR CHAMBERS: Which other...?

SENATOR BEUTLER: ...nor would it...

SENATOR CHAMBERS: Okay, go ahead. I didn't mean to cut you off.

SENATOR BEUTLER: No, go ahead.

SENATOR CHAMBERS: Which other entity, of those mentioned here, is situated as Lincoln is right now?

SENATOR BEUTLER: Senator, I don't know of any other that are situated. But there are thousands of political subdivisions in this state, and I know that the city of Omaha has requested to be included in this bill.

SENATOR CHAMBERS: Oh, so then you wouldn't agree with eliminating cities of the metropolitan class?

SENATOR BEUTLER: No, I don't think I said that.

SENATOR CHAMBERS: Oh.

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SENATOR BEUTLER: I think I said the city of Omaha would be...is...wants to be included in this bill. That's in part why they're there.

SENATOR CHAMBERS: Okay. Well, maybe when the lobbyist went back and talked to them about what he and I talked about--and I'm talking about Cheloha--they may have told him something that made him state something different from what he stated to me. But he had indicated Omaha has nothing involved with this bill; they are not anticipating having any endowment fund. They're entitled to give him new information. But would you be willing to strike from the scope of this bill cities of the metropolitan class if your doing that would overcome all of my other objections?

SENATOR BEUTLER: Senator, I would talk to people who are interested in the bill about that. As I mentioned to you on the first round of debate, I think that has...that would be, one, bad policy; and two, I think that would have a very detrimental effect on any effort by the proponents of the bill to get it passed with the people of the state. This is a constitutional amendment. Whatever we do here is going to have no effect unless the people of the state approve it. So all we're doing is approving putting this proposition before the people of the state.

SENATOR CHAMBERS: Well, since many of the people of the state voted for term limits with the expressed purpose of getting rid of me, I am not swayed too much by what the people of the state want to do, because I know what...who they are. But if I were willing to let you engage in some additional discussions with those people, that could not happen if this bill moved from where it is now. Is that correct, because it would be...

SENATOR BEUTLER: Well, it could happen, but it would put you in a more disadvantageous position, as you're well aware.

SENATOR CHAMBERS: Right. So I think I'm going to have to debate this bill for a while. Mr. President, how much time do I have left?

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SENATOR CUDABACK: About one minute.

SENATOR CHAMBERS: Okay. The next time I'm recognized, I will mention an additional basis for opposition to the bill that has surfaced. Thank you, Mr. President.

SENATOR CUDABACK: Thank you, Senator Chambers. You've heard the opening on FA422. It amends LB 75. Senator Beutler, followed by Senators Bourne, Schimek, and Chambers.

SENATOR BEUTLER: Senator Cudaback, members of the Legislature, this particular amendment...this particular bill that's in front of you now has been modified several times already to give it more focus, to be sure that it's not going to be radical in any sense. And it just says that the Legislature may authorize. It doesn't require anything. It doesn't put anybody in any position. It just says, if the people of the state vote for this amendment, then the Legislature next year would be authorized...could authorize the investment of public endowment funds. And I would remind you again that that was one of the amendments that we made. Public endowment funds doesn't include any of the regular city operating funds or CIP construction funds or other types of funds. It affects now, because we narrowed it down for Senator Chambers to public endowment funds. So on the one hand, Senator Chambers gets the benefit of narrowing this down. But then, when we narrow it down, he argues that it only applies to us, to the city of Lincoln. But it doesn't just apply to the city of Lincoln, because if Grand Island or somebody else or Omaha sells their civic center and has a bunch of funds that they are able to keep as an endowment, they, too, could do the same thing. This endowment, the Community Health Endowment in Lincoln, Senator Chambers correctly remembered that it was created by the sale of Lincoln General Hospital. It is for the benefit of mostly low-income minority peoples in Lincoln, who benefit from the grants that go out from the health endowment to nonprofits of all types--care for single mothers, abuse centers, all different kinds of services that support the general Lincoln health effort. And so it's very, very important that these funds make a reasonable return. Let me just make a couple of points for you. You know,

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in 1966, 50 years ago, 40 years ago, the Nebraska Constitution was amended to provide for the investment of retirement and pension funds by cities, counties, all of the political subdivisions. And when we amended that, we did it because these are essentially like endowment funds. They're funds that are there long term. And by virtue of the term of the investments, you're able to earn a higher return. And so we said, for all of those people whose life savings are invested, look, we need to do this in a reasonable way to maximize those returns. And so we allowed that. Each governing body determines that. But of course, there are prudent investor rules that apply, and there are also prudent investor rules that apply to this particular amendment that were made even tougher by Senator Landis and his work on this particular bill. So all we're asking...we're not even asking that we be allowed to invest as far as some of the retirement and pension funds can be invested. But here's an interesting comparison. If the Community Health Endowment funds were invested in the same manner as the city of Lincoln police and fire pension funds, then the value of that fund would have increased by an additional \$2.6 million in just one year.

SENATOR CUDABACK: One minute.

SENATOR BEUTLER: So that is the crime and the tragedy of something that it's a little bit hard to translate into crimes and tragedies, because it's just working with cold, hard numbers, investment numbers. But that \$2.6 million in one year would have helped an awful lot of people. And by no stretch of the imagination can anybody argue that the city of Lincoln police and fire pension funds are in any sort of jeopardized accounts or jeopardized combination of accounts. Senator Stuhr well knows that the state investment funds are invested in a way that is much more liberal than what is allowed under current law for cities and the political subdivisions. So this is...

SENATOR CUDABACK: Time, Senator.

SENATOR BEUTLER: ...an area of law that by happenstance is not of this century.

SENATOR CUDABACK: Thank you, Senator Beutler. Further

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discussion, Chambers amendment? Senator Bourne.

SENATOR BOURNE: Thank you, Mr. President, members. I rise in support of the underlying bill of Senator Beutler's, I guess the constitutional amendment. But I am concerned with the amendment that Senator Chambers has filed, and I wondered if he would yield to a question or two.

SENATOR CUDABACK: Senator Chambers.

SENATOR CHAMBERS: Yes, I will.

SENATOR BOURNE: Thank you. Senator Chambers, as I read your amendment, in the E & R amendment to LB 75, which would become the bill, where it says the Legislature may authorize the investment of the public endowment funds of cities, you would add "except a city of the metropolitan class as defined by law," then it would go on, villages, school districts, public power districts. Is that correct?

SENATOR CHAMBERS: Yes.

SENATOR BOURNE: And, Senator Chambers, I worked with you on the Judiciary Committee for a number of years, and even though sometimes things that you do are extremely frustrating and...I'll stop there, extremely frustrating, usually you have a reason for doing it. And would you explain why you would exclude the metropolitan city, the one metropolitan city in this state, from being able to, assuming this measure passes on the ballot, participate in this activity that would be allowed by the amendment?

SENATOR CHAMBERS: Sure. And that's a fair question. I would want to exclude all of these other entities--the villages, the public power districts, and the rest. Senator Beutler felt that the thing should have as broad a reach as possible, so I said, then I want to exclude the city where I live. Then I'm dealing with that in which I have an interest. I do not believe Omaha will ever have an endowment fund. And I did, to make the record straight, if you don't mind me saying it, get a note from Mr. Cheloha, who said that although Omaha does not currently

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have an endowment fund, they would like to remain in the bill so in case they did, the language would apply to them. But in disregard to all that, I do not want this kind of language in the constitution that addresses anything other than the particular problem that brought it before us.

SENATOR BOURNE: But, Senator Chambers, the reason that this bill is here and amended in the form that it is, because the city of Lincoln, and this isn't negative, but they didn't anticipate that they might need this; that's why they're asking for it now. So I'm struggling as to the policy reason that you would say the metropolitan city should be excluded, given that even though there might not be a pending project, there very well could be in the future.

SENATOR CHAMBERS: Omaha does not own a hospital that they're going to sell. They don't own anything that they're going to sell and realize the money and put it in an endowment fund. And I had stated earlier that if there are private entities or individuals who want to contribute to city services being carried out, as has happened, for example, with the police auditor, there are businesspersons who paid that salary; they do not give the money over to the city and say, create an endowment fund. They will contribute in the way that they choose to, in the area they would like to. So Omaha, in my view, will never have an endowment fund that would be affected by this language.

SENATOR BOURNE: I...again, I don't mean to argue with you on the floor, but just because it isn't on the radar screen today doesn't mean it could...it would not happen in the future. And I would also suggest that this amendment that becomes the bill doesn't limit itself simply to hospitals. There could be something else that the city may come into possession of, and the things that the bill discusses could come into play then. Do...don't you acknowledge that?

SENATOR CHAMBERS: It's so unlikely and tenuous that I will say,...

SENATOR CUDABACK: One minute.

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SENATOR CHAMBERS: ...it's possible, but the possibility is so slim that I think, practically speaking, it is not going to happen.

SENATOR BOURNE: Then all the more...you've just made the argument against your amendment. All the more reason to let it go forward. And, Senator Chambers, again, I...my experience in dealing with you, you rarely do something without a reason, and I would suggest that there has to be more than simply because there isn't a project or a facility that the city of Omaha may come into possession of. What else is underlying this?

SENATOR CHAMBERS: Since we had the debate on General File, something else did surface which I have discussed on the floor, and I had made it clear that the next time I'm recognized I will tell what that other issue was, that played no part in my original offering of this amendment, because now my opposition is to the entire bill, because it's a Lincoln bill.

SENATOR BOURNE: If your amendment is adopted, perhaps it could be argued that it's a Lincoln bill.

SENATOR CHAMBERS: Well, I said that it would overcome my other objection.

SENATOR CUDABACK: Time, Senator Bourne. Thank you, Senator Bourne. Further discussion? Senator Schimek, followed by Senator Chambers. Senator Schimek.

SENATOR SCHIMEK: Yes, thank you, Mr. President and members. I wanted to weigh in on this issue, and perhaps give some time, when I've made a few remarks, to Senator Chambers, to see if he wants to perhaps go into more detail. I gathered from your remarks, Senator Chambers, that you wanted to say a little bit more about what other issues might be impacting this. I do want to say to you that probably 20 years ago nobody in Lincoln would have ever envisioned that we would be here today asking for this amendment. And I have to tell you that the whole issue of taking Lincoln General Hospital and giving it to a private entity and having it no longer be a city-owned hospital was a very, very controversial issue in this city, and a lot of

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discussion and involvement by the public went into this decision, and part, I think, of the selling point of all of it was that the funds would be available for other public health uses. And I think it was a very good decision on the part of all the people who were involved in making the decision. Having said that, I support being able to do this here in Lincoln. I have sat on Government Committee for I think, what, 12 years perhaps, too long probably, perhaps, and I've also sat on Urban Affairs Committee for a very long time, and one of the things that I've learned from being on those committees--and it didn't take me 12 years to learn it, Senator Chambers, I want to assure you that I'm a little faster study than that--is that we continually in this Legislature craft legislation that's for one size city or one size...one class of city or village, and then we have to come back in five years or six years and introduce another bill to let somebody else come into the circle. And that's bad enough, in some respects, that we do it that way, because it always costs money to have to introduce a new bill, and a lot of time and energy on the part of the Legislature. But doing this for a constitutional amendment is perhaps even a less desirable kind of thing to do, because we have to go back before the people again if at some point, for instance, the metropolitan class city decided that it wanted to be in this, if indeed we did adopt your amendment. So it's a lot more serious than a bill that we might pass that's just favorable to one class of city. I...you know, I think it's an important thing to do, and I would like to give you the rest of my time. I hope it's enough for you to use. I think you're also following with five minutes of your own time. So perhaps you could elaborate on some of the answers that you were giving to Senator Bourne, if you choose to do so.

SENATOR CUDABACK: Senator Chambers, about 1, 30.

SENATOR CHAMBERS: Thank you, Mr. President. Thank you, Senator Schimek. Members of the Legislature, when I first drafted this amendment, it was to take Omaha out of this amendment, this proposed constitutional amendment. We had some discussion of it on General File, so I made my reasoning clear at that time. Subsequent to that, I became aware, through reading the newspaper, that Senator Landis offered a bill to bail out the

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Omaha convention center, and it's been prioritized by Senator Brown. So I said, since the Lincoln senator sticks his nose in an area that affects my constituents directly in north Omaha, I'm going to oppose anything for Lincoln. I don't hide my intentions. I made it crystal-clear. And Senator Landis was sitting there when I said it. I said, I want to say it to the face of the person to whom it's addressed. People on this floor don't pay attention to what I say, and that's why they don't know. But I don't mind repeating it. And with what I intend to do on this bill, I have the opportunity to repeat it again and again and again. So how would Senator Landis' bill affect my constituents? I had argued against that convention center, saying that since general obligation bonds had to be pledged, and as everybody knows, general obligation bonds are backed by the credit of the city, and if taxes have to be raised to pay those bonds off, the taxes will be raised.

SENATOR CUDABACK: It's now your time, Senator.

SENATOR CHAMBERS: Thank you. With that obligation being put in place, north Omaha and south Omaha would suffer. Senator Brashear tried to get the Legislature to agree to a proposition that would offer some kind of economic development in north Omaha, and it was crushed by the Legislature. North Omaha did not count. You all don't remember it because it doesn't affect you, and black people don't count in this state or in this Legislature. So what they started talking about in the city of Omaha was some one-stop center of some kind where a number of matters could be taken care of. It was in the nature of a mall. Well, as could be anticipated, that fell through, and it never was done. So now here comes Senator Landis to take state money to bail out a project which has fallen on hard days, just as I said it would. But Senator Landis negotiated it and got the Legislature to go along, because he was against it at first, then when he was put in the position of the negotiator, he bailed out the city of Omaha. Brad Ashford was one deeply involved in that. I don't forget. So I'm going to fight that bill, and I had said I'll fight Lincoln bills. And you'll notice, the ones defending LB 75 are Lincoln senators. And despite what Senator Beutler says and how he wants to characterize it, this is as much a Lincoln bill as anything that

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has ever been brought before us, and the facts that we are discussing that have led to the presentation of this proposal all were generated within the city of Lincoln, and they are based on a specific transaction involving a specific entity whose sale produced a specific pot of money, which is all that we're talking about. I'd like to ask Senator Beutler a question.

SENATOR CUDABACK: Senator Beutler, would you yield to a question?

SENATOR CHAMBERS: Senator Beutler, is there anything that prevents the city of Lincoln from spending the money out of that endowment fund for the purposes that you've been discussing; namely, to help these various entities in Lincoln?

SENATOR BEUTLER: Is there anything that keeps them from spending the money for other purposes?

SENATOR CHAMBERS: No, for the purposes you've described. You said these health operations. Is there...?

SENATOR BEUTLER: Right.

SENATOR CHAMBERS: There is nothing that prevents that money from being spent for that purpose, is there?

SENATOR BEUTLER: There's nothing that prevents it from being spent for the purposes that are outlined in the endowment trust itself?

SENATOR CHAMBERS: The ones that you've discussed, right, and I can't remember the names of all of them.

SENATOR BEUTLER: I think I'm missing the point, Senator. I'm not sure what you mean.

SENATOR CHAMBERS: Okay. Are...?

SENATOR BEUTLER: Yes, it can be spent for those purposes. Yes, it is limited, though, by the trust...the language in the trust

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and by the ordinances of the city council. It is also limited by the city charter...

SENATOR CHAMBERS: Okay. Now,...

SENATOR BEUTLER: ...with regard to how they can be investment...

SENATOR CHAMBERS: ...and you're getting ahead of me.

SENATOR BEUTLER: Okay.

SENATOR CHAMBERS: What are the specific limitations in the trust on the expenditure of that money?

SENATOR BEUTLER: Well, Senator, I have the trust document, I believe, and I'll read it to you once I can find it.

SENATOR CHAMBERS: Take your time.

SENATOR BEUTLER: Okay.

SENATOR CUDABACK: Senator, are you waiting for him to reply?

SENATOR CHAMBERS: Yes, I am. I'm a patient man.

SENATOR CUDABACK: I'm not sure he is...Senator Beutler, are you going to reply, or are you...or do you...?

SENATOR BEUTLER: Yeah, I intend to reply, but it's putting a lot of pressure on my staff here looking for the document.

SENATOR CHAMBERS: Oh, I thought you might have had it on your desk.

SENATOR BEUTLER: No, no. I'm sorry.

SENATOR CHAMBERS: Then I...no, I won't...

SENATOR CUDABACK: One minute.

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SENATOR CHAMBERS: ...hold you to get it right this minute, because there will be a point when that can be obtained. Then I'll continue. I thought Senator Beutler may have had a group of papers among which would be that document.

SENATOR CUDABACK: It wasn't quite clear.

SENATOR CHAMBERS: Members of the Legislature, I intend to fight this. I don't care what Senator Beutler says. I don't care what Senator Landis says. I don't care what Senator Schimek says, or any other Lincoln senator, unless they tell me they're going to oppose Senator Landis' bill on the convention and arena center in Omaha. If they tell me they're going to oppose it, then I'll withdraw my opposition to Lincoln's bill. But until that, we'll be at loggerheads. And this matter did not have to go to cloture to move off General File, and I did not insist on holding it on General File until this amendment was considered. So if my intent at that time had been to just stop it in its tracks, I gave up a strategic advantage by letting the bill move. I don't like the approach that it's taking.

SENATOR CUDABACK: Time, Senator.

SENATOR CHAMBERS: Thank you, Mr. President.

SENATOR CUDABACK: Thank you, Senator Chambers. Further discussion? Senator Kruse, followed by Senator Beutler and others.

SENATOR KRUSE: Thank you, Mr. President. I support the base bill, and do want to comment on it. I do not see it as a Lincoln bill. I see it as a stewardship of public resources. Any time that a public fund can be better used, I am for it. And this is the issue, I think, that's before us--can a public fund be well used, whether it's in Lincoln or any other place in the state? I think we should be supportive of that type of an opportunity. I'm grateful that the question has been brought to us by a particular sale and circumstance, but it allows us to clarify what needs to be clarified within the constitution. And second, I certainly resist the amendment. And again, I'm speaking as a person from Omaha. I do not want Omaha to be set

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aside as a second-class citizen, and I certainly wouldn't want to put a vote to the people to affirm that in any way that might be in somebody's mind. We're in this together. I see it as a state issue from the beginning, and it needs to remain a state issue. I thank you.

SENATOR CUDABACK: Thank you, Senator Kruse. Senator Beutler, on the Chambers amendment, FA422.

SENATOR BEUTLER: Senator Cudaback, members of the Legislature, I understand how Senator Chambers may feel about a particular bill that applies to the city of Omaha. But my gosh, don't blame Senator Landis. Senator Landis is the Chair of the Revenue Committee. He's supposed to be looking out for the entire state, and he does that, I think, to the extent that he's even criticized by some groups in Lincoln for providing too much. But he's reached out, he's said to the city of Omaha, this didn't work out as we originally planned with regard to this convention center facility. He's afforded the city of Omaha the opportunity to come before the Legislature and argue their case. What's wrong with that? And Lincoln is to be punished for that? That bill came out of committee 7-0, without a dissenting vote. That included Senator Cornett from Sarpy, Senator Redfield from Omaha, Senator Connealy from near Omaha, and also Senator Baker, Janssen, and Raikes. It clearly was a bill that that committee--urban, rural, Lincoln, Omaha--thought deserved consideration before the Legislature. And for the life of me, I do not see or understand why Lincoln should be punished for that. If one perceives that one or two issues...if I perceived that on one or two issues I lost in this Legislature I would then vote against everything else and filibuster everything else, if more than one of us did that, we would be in big, big trouble. I think there has to be some compromise and reconciliation. For one, when that bill comes before this Legislature, Senator Chambers will give it a very rough time indeed, I'm sure. And that's his prerogative and his opportunity, and more often than not, he's successful in what he does. But he will also have the opportunity, don't forget, next year, when Senator Beutler and Landis and others are not here. And when, if it should happen, the people vote for this amendment, when it comes back to the Legislature, Senator

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Chambers will have the opportunity to x out in statute cities of the metropolitan class and preclude them from benefiting in any statutory provision. But if you're going to make distinctions among political subdivisions on a broad policy statement where, from a policy point of view, from a broad, conceptual policy point of view it should apply to all, then the constitution should contain that broad, solid policy statement and let the Legislature in its individual dealings with political subdivisions distinguish, if distinguishes...if distinguishing is justified, on the facts of the case. If Senator Chambers can argue to you next year that cities of the metropolitan class should be statutorily excluded, he is certainly able to do that. And my guess would be that if Omaha doesn't have anything at that point that it would benefit from it, he might be successful in doing that, and you'll have to wait till later years to change the statute. But at least the bad policy would be taken out of the constitution. It's bad policy. It's costing everybody money. It's leaving money on the table. It's giving money to brokerage houses and investors rather than the people who are supposed to be benefiting from this money--the low-income and those who can't afford healthcare. Why would we want to do that?

SENATOR CUDABACK: One minute.

SENATOR BEUTLER: It's just bad policy. And wherever the situation arises in the state, new and better laws should apply to it. Thank you.

SENATOR CUDABACK: Thank you, Senator Beutler. Further discussion? Senator Bourne, followed by Senator Landis.

SENATOR BOURNE: Thank you, Mr. President, members. Would Senator Chambers yield again to a question or two?

SENATOR CUDABACK: Senator Chambers.

SENATOR CHAMBERS: Yes. Yes, I will.

SENATOR BOURNE: Senator Chambers, when you were talking earlier, you had mentioned there was some sort of a one-stop

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center or something that was going to be built in Omaha, and your implication was, is that when the original convention center bill...and I think the original convention center bill was a Senator Lynch bill,...

SENATOR CHAMBERS: Yes, it was.

SENATOR BOURNE: But you had mentioned this one-stop center that, as part of Senator Lynch's bill going forward, that would be built by the city of Omaha. I went out and asked the city of Omaha lobbyist what you were referring to, and he had no knowledge of that. So it sounds like you're upset because the city of Omaha didn't do something you feel they had committed to doing, and that's part of your rationale for your amendment. Is that accurate?

SENATOR CHAMBERS: It's not just that, that was one element of the bad faith shown by Omaha, but the fact that I had said if they got the convention center, that would be their primary area of interest, and north Omaha would be ignored. All of the development that has been occurring in Omaha has occurred around the convention center. And the lobbyist who now works for the city I don't think was the lobbyist at that time, but I'm not sure.

SENATOR BOURNE: I think he was.

SENATOR CHAMBERS: Okay.

SENATOR BOURNE: So what is this one-stop center that you're referring to?

SENATOR CHAMBERS: I will have to get the articles, which I do have, and I will present them to you before we debate this again, because we certainly aren't going to move the bill today.

SENATOR BOURNE: I agree. So rather than a specific policy issue as it relates to your amendment, you have more of a grudge in that you're uncomfortable...you don't like how the convention center financing was handled, and that's why you're trying to keep your...this...the city of Omaha out of the ability to

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participate in this endowment?

SENATOR CHAMBERS: I'm tying it in now as another thing as to why I'm opposed to Lincoln, because it's a Lincoln senator's bill that is keeping this convention center problem alive. The leverage that would exist if Omaha was faced with raising the property taxes would be taken away. There could then be a discussion, without Senator Landis' bill, of the harm that that whole convention center thing has done to north Omaha. And there can be a direct link shown, not this morning, because we don't have enough time. But I had stated that Senator Landis played a part in the convention center then, he's coming back now, and the complaints that I make about the bad impact it has on us, meaning my constituents, will go nowhere. So I'm just going to deal with them the way they've dealt with my constituents. If this will benefit Lincoln, I'm going to hurt Lincoln as much as I possibly can, just as my constituents have been hurt and will be hurt again.

SENATOR BOURNE: Thank you, Senator Chambers. I'm going to stop talking now, because I want to hear from Senator Landis. He's next. But I do want to say, Senator Chambers, I want you to think about this, I think that the people you're asserting that you're protecting are actually going to be hurt by this endowment not going forward. I think, my neighborhood is also in north Omaha, and I'm encouraged when I listen to Senator Beutler and talk to people from the city about what a potential endowment like this could do to my community. So I would say that perhaps you might want to think about the bigger picture and that this could actually help our area of Omaha.

SENATOR CUDABACK: Are you through, Senator Bourne? Senator Landis, you're recognized.

SENATOR LANDIS: Thank you, Senator Cudaback, members of the Legislature. These pieces are intertwined; let's talk about them. Fair enough. My perspective is that Senator Chambers' agenda, rather like Senator Bourne's idea, will in fact have a counterproductive impact. But I'll be instructed by what Senator Chambers has to say on this score. Why is there a bill on the arena this year? Because Omaha brought in a bill that

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said, \$10 for everybody who comes to a conference center, and \$2 for everybody who comes to the Qwest Center, and that's how much we're going to give for turn-back. And I wanted an alternative, because there was a theory to the original bill that said, what we want to do is we want to share the growth of a new income stream that will occur because we're going to have resources that we don't now have. The Omaha bill from this year abandoned that theory. I didn't want to abandon it, so I put in an alternative that kept that theory going, which was, the state could share a new income stream back with the city, and then those benefits would be shared not only with that city, but with others around the state. That's why I introduced it. I introduced it because I saw a bill coming in that said \$10 and \$2, it went away from the original theory, I wanted the original theory back before us. And in fact, the Omaha bill failed in the committee, and the bill that I crafted about trying to get back to the original intent of an expanded revenue stream was successful. What about the impact of the conference center? Senator Chambers is largely right, and I think I've said it on the floor before. I think he's indicated that the press has been slow to pick up the accuracy of his predictions, and I at one point said that that's true. What has happened is that the conference center's performance has not measured what was hoped for, what was surveyed, what had been identified at the time in the marketplace it was looked at. I think Senator Chambers believes that that was a knowing misrepresentation at the time. I will tell you that I didn't know that. I think there was a high amount of suspicion that that was rosy-colored. I shared in that suspicion, but others went forward, and there was a rational basis. The state...the city of Omaha had the general bonding authority to do this before that bill was passed, so that didn't come about from the bill that we passed. What came about was the sharing of an income stream back with Omaha, the turn-back proposal. If the turn-back doesn't yield sufficient response, what will happen is Omaha, with a general obligation, will have to levy property taxes and pay for it. If I understand Senator Chambers' position correctly, when that moment comes, there will be a certain amount of political meltdown, and it will give an opportunity to cast blame, to make plans, and to identify the impact on the African-American community in north Omaha specifically. I would suggest to you

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that if there's one thing that's going to be bad for Omaha low-income property tax owners, it's going to be a significant property tax increase. I got to tell you that from my perspective, if we share the income stream that's being generated from the conference center and the Qwest Center, we will relieve Senator Chambers' constituents from picking up the tab for bonds, which could always have been done without legislative approval. What we invented was a system to help pay for those bonds, and it has not yielded enough money; Senator Chambers is accurate. His prediction has been more accurate than proponents'. Whether or not we want to go back and examine that, fair game. Senator Chambers wishes to link it. There's no way...

SENATOR CUDABACK: One minute.

SENATOR LANDIS: ...that, you know, that's going to stop. He's going to do what he's going to do. By the way, at this point in the session, if it wasn't this bill, it would be something else. My prediction says something else. Senator Foley has got a bill. It's coming. Senator Combs has got a bill on handguns. It's coming. There's a tax cut proposal that will be out on the floor. It's coming. The notion that we can move from one piece to another and somehow the logjam will be broken, I got to...I don't think it's going to happen. We're going to be in this mode for the rest of the session, and it's just moving from one topic to another, because the list of the ways that we give offense to Senator Chambers is pretty endless. I certainly have done it a number of times myself. I've got several more in here and, by the way, so do all of you, practically. So that's what I think is ahead of us, and we'll live with the results.

SENATOR CUDABACK: Thank you, Senator Landis. Mr. Clerk, items for the record, please.

CLERK: Mr. President, your Committee on the Executive Board reports LB 956 to General File with amendments attached. Government Committee, Government, Military and Veterans Affairs Committee reports LB 894 to General File; LB 1106, LB 1154, LB 1184 to General File; LB 940 to General File with amendments; likewise with LB 1236 and LB 1246. Confirmation reports from

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                          1175  
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the Education Committee and from the Government, Military and Veterans Affairs Committee. Bills read on Final Reading this morning were presented to the Governor at 10:35 (re: LB 14, LB 173, LB 776, LB 778, LB 818, LB 887, LB 1003, LB 1007, LB 1111). Constitutional amendment read on Final Reading was presented to the Secretary of State at 10:35 (LR 2CA).

Amendments to be printed: Senator Hudkins, LB 1115; Senator Wehrbein, LB 853; Senator Friend, LB 1175; Senator Foley, LB 275. Senator Jensen, a new A bill. (Read LB 953A by title for the first time.) Senator Byars. (Read LB 1069A by title for the first time.) New resolution: Senator Johnson offers LR 295; that will be laid over. Senator Kremer would like to announce that the Agriculture Committee will have an Executive Session at 1:30 in Room 2102; Ag Committee at 1:30 in 2102. Name adds: Senator Price to LB 173; Senator Smith to LB 995; Senator Price, LB 1116. (Legislative Journal pages 818-827.)

And, Mr. President, a priority motion: Senator Aguilar would move to adjourn until Wednesday, March 1, at 9:00 a.m.

SENATOR CUDABACK: You've heard the motion to adjourn, Wednesday, 9:00 a.m. All in favor say aye. Opposed, nay. The ayes have it. We are adjourned.

Proofed by: JAH